

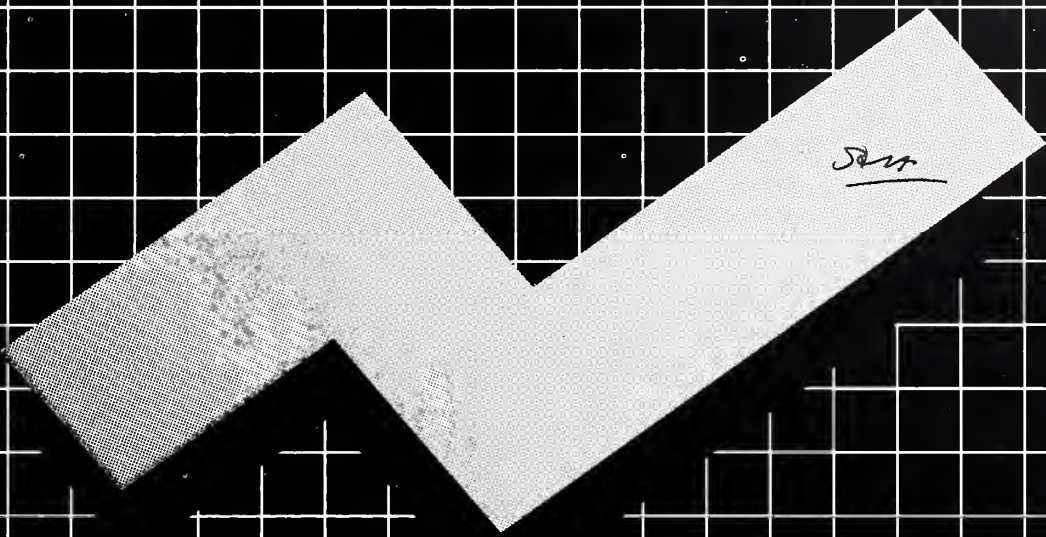
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extension review

United States Department of Agriculture Winter 1988



*Economic
Development*

Rural Economic Development— No One Can Do It Alone

2 *Extension Review*

Economic development cuts across all of Extension's programs. This issue of *Extension Review* will demonstrate how Extension is making a difference in communities across the Nation. But we cannot do it alone. We need cooperation and support from many other organizations, such as multicounty development districts and local governments. We are pleased to have guest editorials in this issue from Alicann Wohlbruck and Jeffrey Schiff, executive directors of two organizations representing such entities.



Alicann Wohlbruck
*Executive Director,
National Association
of Development
Organizations (NADO)*

The members of the National Association of Development Organizations (NADO) are delighted with Extension's commitment to Revitalizing Rural America. For the last 20 years NADO's members have worked to encourage economic development and create private sector jobs in rural communities and we have always welcomed active participation by our colleagues in Extension.

The development districts and councils of governments who are NADO members are locally-controlled multicounty planning and development organizations serving rural and small metropolitan governments and businesses throughout the country. From their founding in the 1960's these organizations have been based on involvement of the public and private sectors in local-regional-state-federal partnerships designed to improve rural economic conditions. Today, they are a vital part of the "institutional infrastructure" in most rural communities. The professional staff expertise they provide is not otherwise available to part-time volunteer locally elected officials of rural governments.

While most rural-oriented attention in Washington is focused on agriculture, NADO and our members have long understood the importance of nonfarm employment to the economic well-being and indeed *survival* of rural America, including small farmers. Manufacturing is the dominant economic base in rural areas, accounting for over 36 percent of personal income and nearly 40 percent of employment in 1984. The farming sector provided only 12 percent of personal income and nine percent of the employment in 1984. The recent decline in both farm population and nonfarm jobs is leading to an overall decline in rural residents in many states as young people migrate to major metropolitan areas to seek employment.

To be concerned primarily with nonfarm rural America is not "anti-agriculture" but rather "pro" economic diversity and equality of economic opportunity for all our citizens. During the past 20 years substantial public investments helped bring about urban and suburban renewal. NADO's members

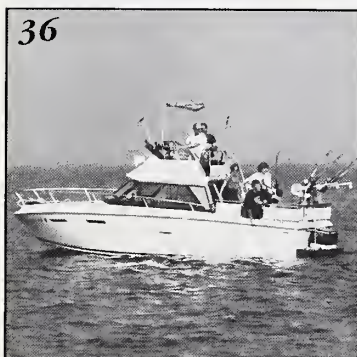
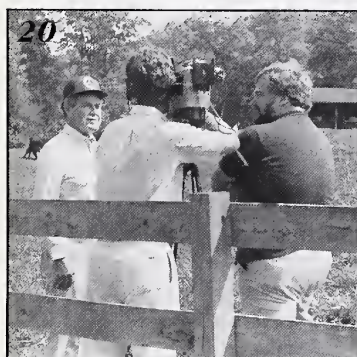
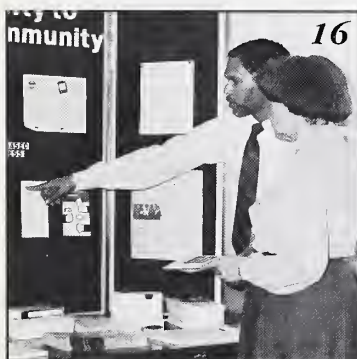
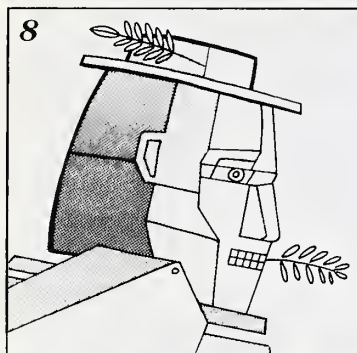
believe that there needs to be a continuation of the federal-state-regional-local financial and professional partnership. Rural residents should have the same opportunities for revitalization that metropolitan communities have had.

Members of the Joint Economic Committee noted in 1986, "...rural residents have lower incomes...fewer job opportunities, higher joblessness rates and are more likely to be in poverty or live in substandard housing. These conditions are cause for significant federal assistance, yet rural areas receive a disproportionately small share of federal programs."

These facts are not news to those who are involved in rural economic development. But the rural development community must work harder at broadening understanding of the realities of rural America rather than fostering the myths, including the image of rural America as solely agricultural. The recent efforts of Extension and the Economic Research Service to study and disseminate information on nonfarm rural America are important contributions to this better understanding by our national policymakers.

NADO hopes that the focus of this issue of *Extension Review* on economic development signals the beginning of a national effort to bring about revitalization and job opportunities in rural America.

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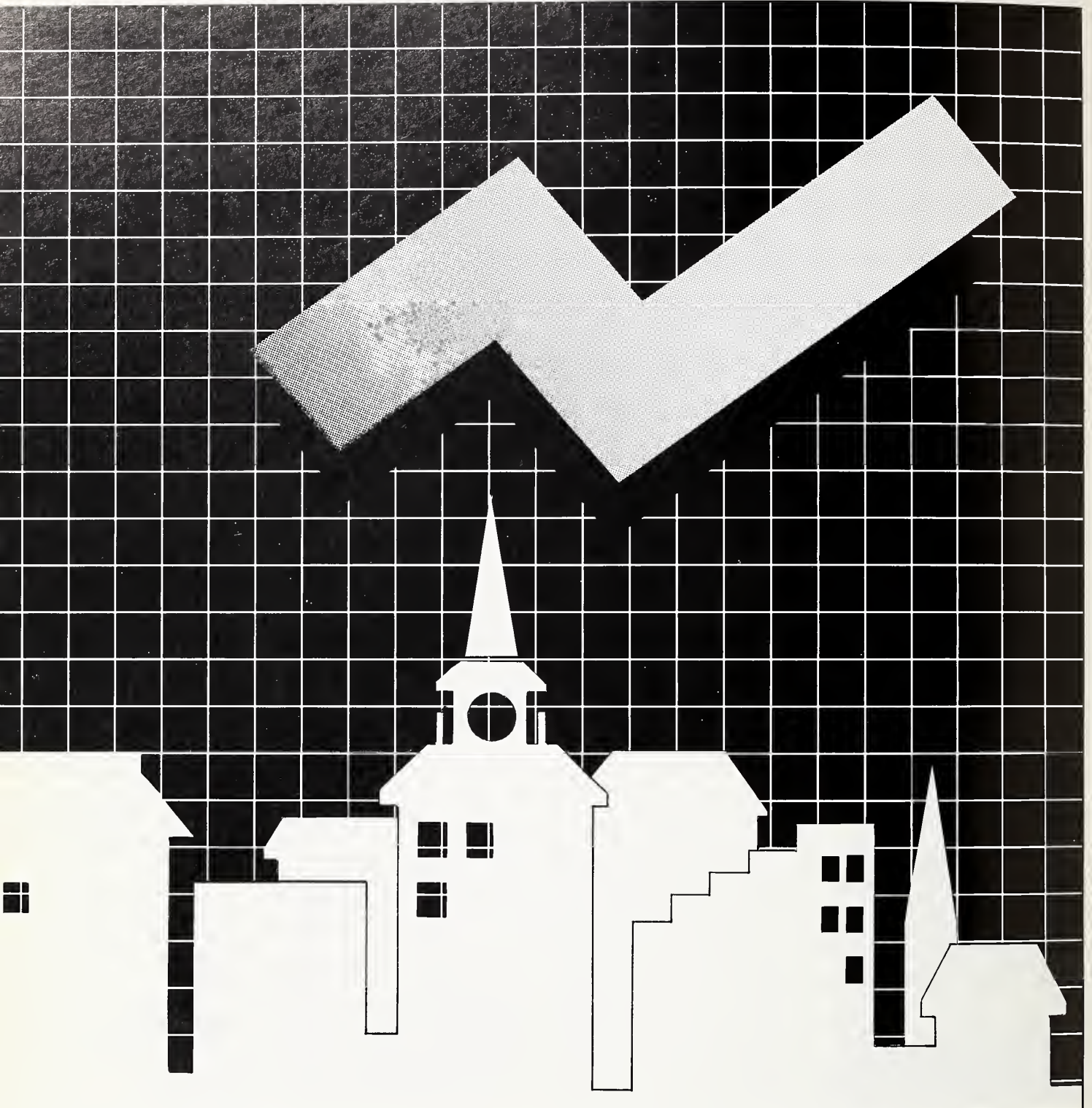
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Extension Education For Economic Development

4 *Extension Review*



The Cooperative Extension System is providing assistance our Nation's communities need to achieve their economic development goals. This economic development involves cooperation between the public and private sectors to create jobs, income, and government revenues. At the same time, communities, with the help of Extension, seek to achieve this development while maintaining concern for clean air and water, open spaces, and good schools.

Extension is improving its ability to deliver economic development programs. Last spring, nearly 500 Extension professionals from 34 states participated in a national audioconference on community economic development. Training at this conference included educational videotapes, handbooks, and a live panel discussion aimed at teaching Extension professionals a comprehensive approach to economic development.

Economic Development Projects

The following are some examples of Extension education projects across the Nation related to economic development:

- In September 1987, the Rural Information Center (RIC), located at the National Agricultural Library (NAL), Beltsville, Maryland, which will serve as an information and referral service for rural local officials, opened with demonstration phone calls from local officials in St. Joseph, Missouri, and Jessup, Georgia. The RIC is a joint program of NAL and Extension Service, USDA, and is accessed through county Extension offices. Two priority areas for the new Center are economic development and local government.

- The Ohio Cooperative Extension Service trains "retention and expansion" consultants who work with owners of local businesses to help them solve problems affecting their business survival and expansion.

- In Decatur County, Georgia, Ernest S. Purcell, then county Extension director, was part of a delegation that convinced a Chicago-based peanut processor to relocate to that county. In January 1987, a groundbreaking ceremony for the 20,000-square-foot plant initiated a \$10 million investment. Approximately 200 local citizens will be employed by the new plant.

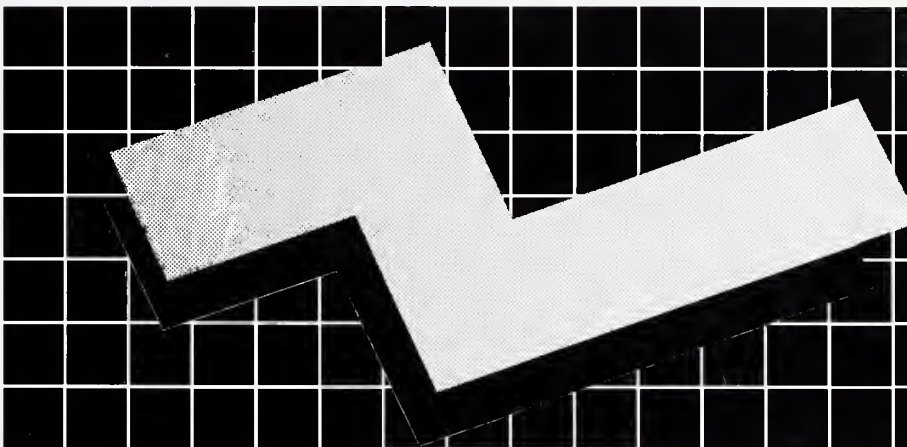
- In the four "foothill" counties in California west of the Sierra's (Amador, Calaveras, Mariposa, and Tuolumne), an Extension pilot education program conducted by the University of California to develop home-based industries and small businesses has assisted over 250 different business operations in startup, management, and marketing. Extension is currently distributing a followup questionnaire for business participants in the education workshops held in Calaveras, Mariposa, and Tuolumne Counties, reports Nancy

Feldman, Extension area home economist for the three counties.

- At Cornell University, in Ithaca, New York, Extension specialists in biotechnology are working with the owners of over 100 biotechnology firms throughout the state. Their objective is to link these firms with basic and applied researchers at Cornell University as well as with researchers at other centers for advanced technology in the state.

- In February 1986 in Lincoln County, Nevada, Extension conducted a workshop in small business education for leaders in the business community. As a result, a small chain of variety stores has been established at various locations in the county and new businesses are planning to relocate there.

Beth Walter Honadle
National Program
Leader,
Economic
Development,
Extension Service,
USDA



- In Dushore, a small community (population 700) in Sullivan County, Pennsylvania, David Kinsey, county Extension staff, worked with William Gillis, Extension state specialist, to assist volunteer leaders in revitalizing the downtown area. Following this effort, 10 new businesses opened in the area.

- At the University of Wisconsin, Madison, Extension conducts a variety of economic development programs for business. A survey conducted by the Small Business Development Center in Madison for 1983-84 revealed that Extension efforts for that period resulted in increased sales of \$10.7 million. Also, during this period there were 1,515 new enterprises, 2,373 new jobs, and an expansion of 1,010 enterprises.

- Extension at the University of Illinois has initiated the training of community volunteers in economic development strategies and techniques.

All Extension program areas are making important contributions to economic development that will inevitably lead to increased prosperity in distressed communities. ▲

Wisconsin: Where Rural and Urban Revitalization Meet

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On the surface, more than distance seems to separate the small Wisconsin village of Tigerton (population 900) and the state's sixth largest city, Wauwatosa (population 60,000). Yet, positive economic development efforts in both communities are proving that community economic analysis programs of Extension at the University of Wisconsin can work in all Wisconsin communities, regardless of their size and location. More than 60 Wisconsin communities have participated in economic analysis programs led by Glen Pulver and Ron Shaffer, both Extension specialists at the University of Wisconsin, Madison. But in some ways, both Tigerton and Wauwatosa posed real challenges to this successful university Extension program.

Contrasting Approaches

"Wauwatosa is a highly sophisticated, highly developed city located in the most urbanized part of the state," notes Milwaukee County CRD Agent Steve Brachman. "Local leaders were as concerned with developing an agenda that would help to maintain a solid economic base as they were with developing one that would bring in new industry."

By contrast, Tigerton had to start with the basics, according to Jim Resick, Shawano County CRD agent. "Tigerton had some major infrastructure needs—sewers, sidewalks, and roads—that demanded attention," says Resick. "Even before any significant economic development could occur, Tigerton had to ensure that its infrastructure could attract, and accommodate, new businesses."

Economic Analysis

Structurally, both Wauwatosa and Tigerton followed the same educational process. Using a variety of analytical techniques, Pulver and Shaffer worked with Brachman and Resick, respectively, to help Wauwatosa and Tigerton participants take a close look at their communities. They examined the forces that were affecting their econo-



Community economic development programs of Extension at the University of Wisconsin are benefiting both small towns like Tigerton and large cities like Wauwatosa. To date, more than 60 Wisconsin communities have participated in the university's economic analysis programs.

mies and explored strategies for improving job and income capabilities. In each case, the community economic analysis was recognized as the primary reason for the development of stronger communication among local leaders.

"The community economic analysis almost single-handedly bridged the communication gap among leaders in Tigerton," explains Jeff Gillis, a member of the Village Board of Trustees and a catalyst in Tigerton's revitalization. "The process helped generate a willingness on the part of Tigerton's public and private sectors to work together."

The Wauwatosa Chamber of Commerce cosponsored that city's community economic analysis. According to Bill Tetzlaff, the Chamber's executive director, "While we had undertaken studies and made plans before, this time it was different, thanks to Steve Brachman and Glen Pulver. Not only did they reaffirm some of the planning that we were doing, but they also provided some much-needed focus for our efforts."

A Transition Community

Tetzlaff's comments are echoed by Wauwatosa City Planner Gordon Rozmus. "The city of Wauwatosa is 98.2 percent developed," observes Rozmus. "Thus, we're not actively recruiting major manufacturers whose space needs we could not accommodate. Rather, we see ourselves as a transition community where an expanding business can grow and develop for a few years and then perhaps move on. What we are actively seeking is quality development which can best utilize our strong infrastructure, location, access, and quality of life."

The concept of a "transition" community was one of several outcomes of the Wauwatosa community economic analysis. In addition, local leaders agreed to: prepare a comprehensive economic development plan, create a private/public group to advocate local development, develop and implement a marketing plan and a major conference and meeting center, publish a promotional brochure, analyze present businesses to stimulate their growth, and create a Greater Wauwatosa Committee.

As a result of the community economic analysis, Wauwatosa Mayor James Brundahl has convened his own economic development committee to look at the issues raised during the community economic analysis.

"Right now, two subcommittees are looking into the issues of employer retention and database collection, and I expect these two elements will play an important part in the design of a Wauwatosa development plan," says Brundahl.

Business Recruitment

Economic development is taking a different design in Tigerton. According to Dennis Dehne, president of the First National Bank of Tigerton, water and sewer issues are currently receiving attention, but attracting new business is still a major priority.

"We'll be focusing on businesses that can best match the resources of Tigerton," says Dehne. "Right now, forestry is just such an industry."

Dehne credits CRD Agent Resick for much of Tigerton's renewed excitement and enthusiasm. "He's been very helpful and very informative," he adds.

Regional Development

Like Jeff Gillis, Dehne believes that part of the economic development thrust in Tigerton and Shawano County will be a regional one. "Recently, a banker in Marion, Wisconsin (about 20 miles southeast of Tigerton), referred a prospective firm to me," Dehne says. "This kind of cooperation is happening throughout the area."

"If our efforts here result in new employment opportunities in nearby communities like Wittenberg, Marion, and Gresham," adds Gillis, "then we all will be beneficiaries. That's what has been so helpful about the community economic analysis—Tigerton leaders now see themselves as part of a larger economy and are now making decisions from this new perspective."

New economic development perspectives are abundant in Wisconsin, thanks to the community economic analysis efforts of Extension at the University of Wisconsin. As Wauwatosa embarks on business retention strategies and promotes its tourism potential, and as Tigerton stabilizes its infrastructure and begins to attract new businesses, it seems apparent that urban and rural economic revitalization interests can—and do—coincide. ▲

Extension: Catalyst For Growth

8 Extension Review

Ralph F. Webrmann
Extension Business and Industry Specialist, University of Missouri Saint Louis County Extension Center Clayton, Missouri and
John M. Amos
Professor Emeritus, Department of Engineering Management University of Missouri—Rolla

In St. Louis, as in the Nation as a whole, large corporations have reduced their employment. But total job opportunities are increasing because small businesses are expanding or being established. These small businesses are the primary focus of the University of Missouri's effort to stimulate economic growth through Extension education.

Intellectual Property

For 14 years, Missouri inventors, entrepreneurs, and small business owners and managers have looked to an annual Extension-sponsored conference for advice on protecting and profiting from their creative efforts. Popularly dubbed the "Patent Conference," the educational session covers legal and business factors concerning all forms of intellectual property—patents, trademarks, copyrights, and trade secrets.

The conference, which meets in St. Louis, is a cooperative effort between the Business and Industry category of University

of Missouri Extension and the Continuing Education component of the School of Engineering, University of Missouri-Rolla.

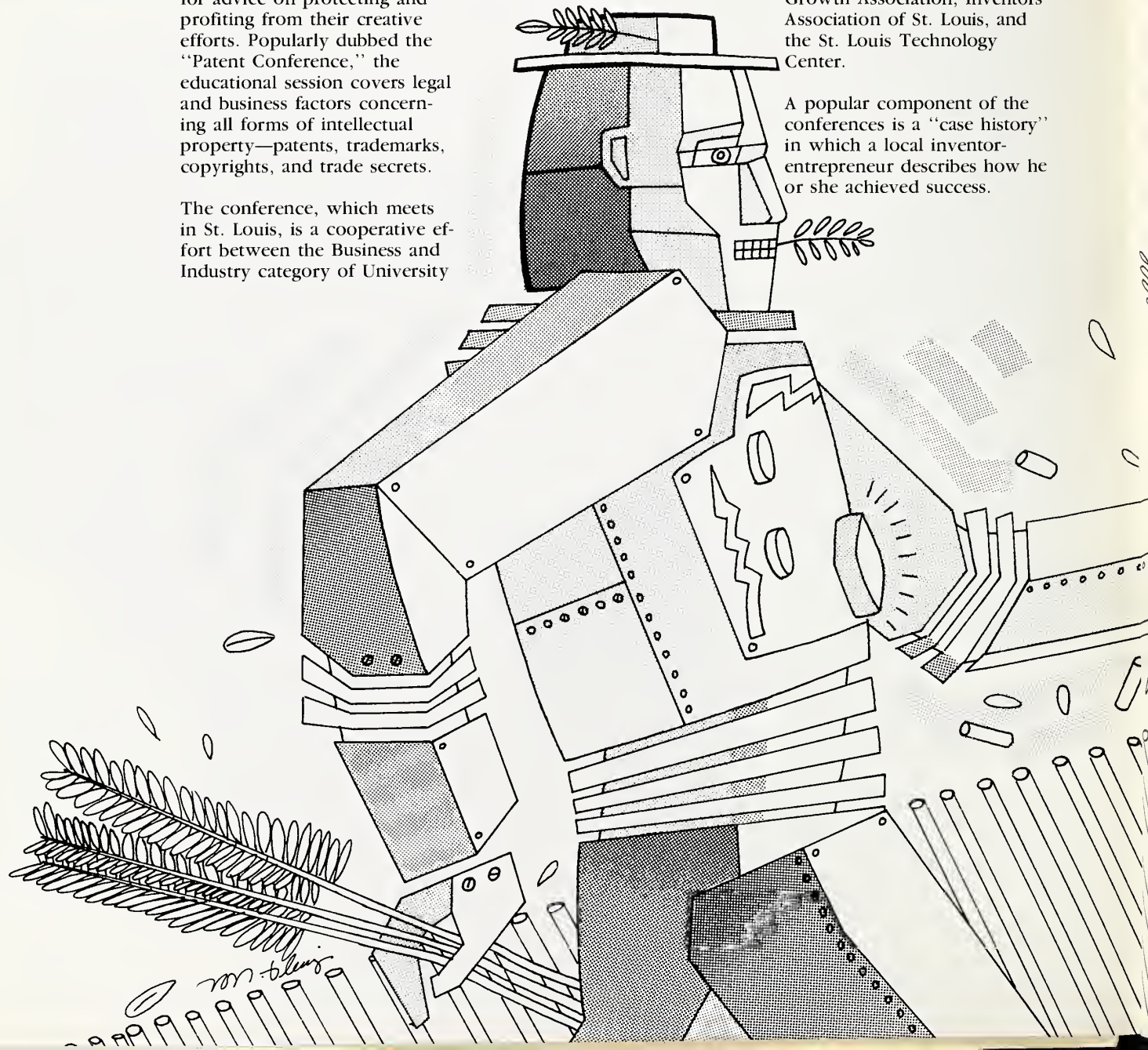
Interdisciplinary Participation

From the inception of the program in 1974, Extension knew that adequate treatment of the subject matter would require the expertise of attorneys. They readily enlisted the help of local patent attorneys, both from private practice and from the St. Louis-based Monsanto Company, at least four of whom have spoken at each conference.

The U.S. Commissioner of Patents and Trademarks was the keynote speaker at the first conference, and either the commissioner or his designee has addressed each of the subsequent sessions. The interest by local media in the commissioner's appearance has created excellent publicity for the conference.

The U.S. Small Business Administration is also a sponsor. Others include the Missouri Division of Community and Economic Development, Small Business Councils of the St. Louis Regional Commerce and Growth Association, Inventors Association of St. Louis, and the St. Louis Technology Center.

A popular component of the conferences is a "case history" in which a local inventor-entrepreneur describes how he or she achieved success.



The format and agenda of the St. Louis presentations have come to serve as a model for local, regional, and national conferences concerned with creativity, invention, and entrepreneurship. The conferences also spurred the development of the 700-member Inventors Association of St. Louis, which helps people find ways to transform their ideas into commercial realities.

Small Computers

When small computers appeared in the late 1970's, Extension began sponsoring conferences and "hands-on" workshops to help business and industry people learn about this new technology. Instructors included university faculty and experts from the computer industry, and St. Louis vendors cooperated by supplying the equipment and software.

Robotics

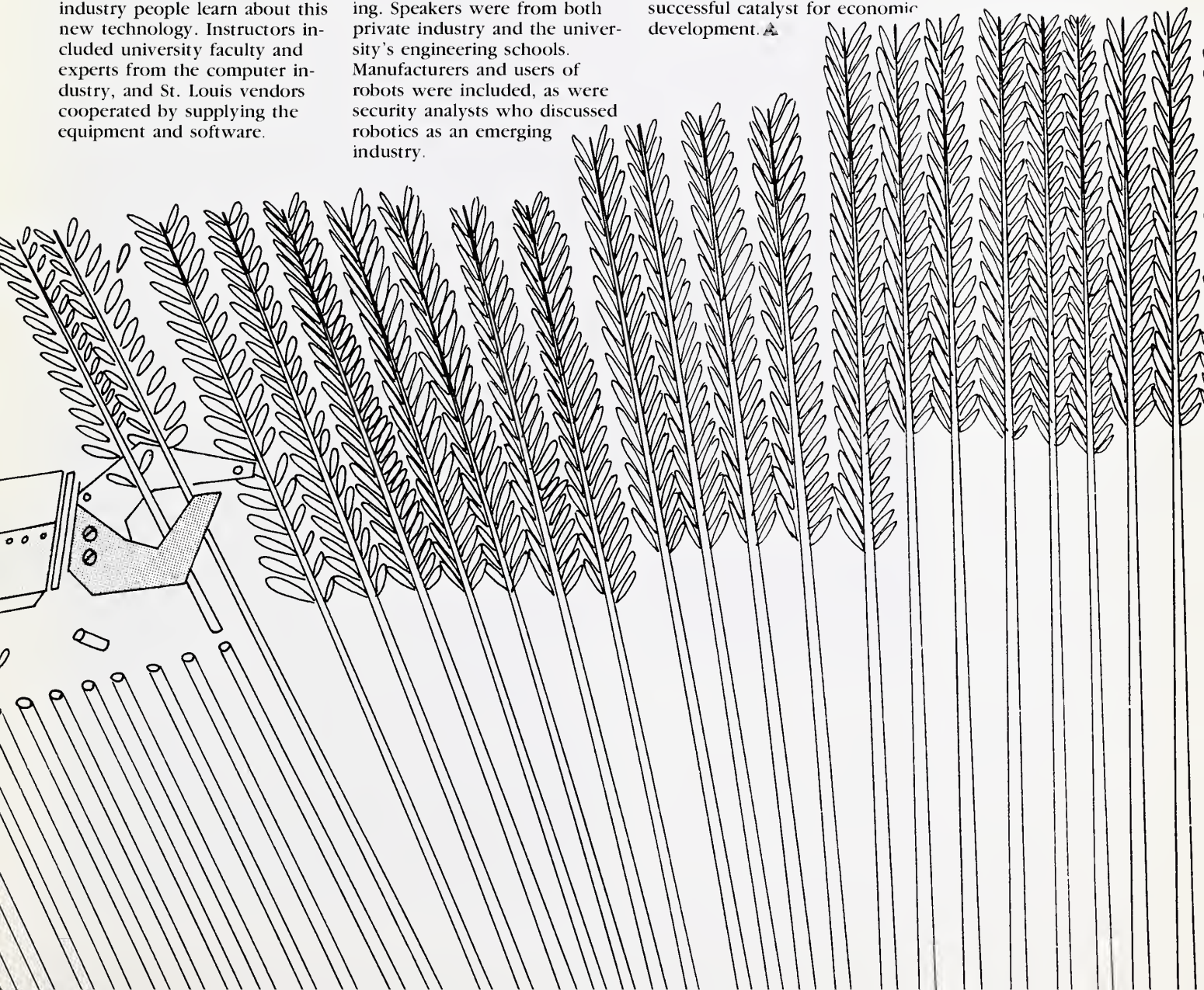
About 10 years ago, the use of robots for manufacturing applications started attracting serious attention. Although large corporations led the way in the practical application of robotics, other firms also became curious about the role this technology might serve.

In the early 1980's, Missouri Extension conducted a series of educational programs to help owners and managers of smaller companies understand the nature of robotics and its possible application in at least some of the processing common to small-scale manufacturing. Speakers were from both private industry and the university's engineering schools. Manufacturers and users of robots were included, as were security analysts who discussed robotics as an emerging industry.

Meeting Business Needs

Although these three subject-matter areas are concerned with state-of-the-art technology, Missouri Extension is involved with a broad spectrum of business needs. The educational programs cover management, finance, productivity, marketing, personnel, legal matters, taxes, and governmental regulations. In addition to conferences, workshops, short courses, and seminars, Extension provides one-to-one counseling.

Over the past two decades, this combination of activities has enabled Missouri Extension to establish a leadership role as a successful catalyst for economic development. ▲



FRED: Colorado Key To Business Development

10 Extension Review

Katherine Timm
Extension 4-H, Youth
Editor
Colorado State
University,
Fort Collins

In LaPlata County, Colorado, Rick Gruen, Extension agriculture/horticulture agent, developed the program for Functional Rural Economic Development (FRED) to promote integrated economic development. Gruen was inspired by the efforts of the Extension program in El Dorado County, California.



"The integration of agriculture, business, and tourism is the key to maintaining a strong local economy," says Rick Gruen, Extension agriculture/horticulture agent, Colorado State University, LaPlata County. "The support of local agricultural goods and services in conjunction with the business and tourism opportunities that already exist is a critical first step toward the revitalization of Colorado's rural communities."

Gruen developed a comprehensive program for Functional Rural Economic Development—or FRED—as a means of promoting the idea of integrated economic development.

FRED, Gruen points out, is designed to improve the economy by attracting complementary business, capturing existing markets, developing new markets and producers, improving the efficiency of existing businesses, and reacquiring dollars lost in taxes.

"The main ideas of the Extension program in El Dorado County, California, were the inspiration for FRED," Gruen notes. "That program showed that tourists must be offered diversity to be attracted to an area and thus improve the local economy."

Resolution

In September 1987, the LaPlata County Board of Commissioners approved a resolution to facilitate the integration of the agriculture, business, and tourism sectors within the county. The board also made a commitment to stimulate economic development efforts by establishing a regional revolving loan, cross-sector recognition, and education.

In addition to the Board of Commissioners, FRED is receiving support from Durango Area Chamber Resort Association, the Hotel/Motel Association, the Restaurant Association, the Durango Herald, and the Office of Local Affairs. Also backing the program are many area business proprietors, ranchers, and farmers.

Recently, in LaPlata County, locally grown food donated by area producers was prepared and served—during a promotion dinner named "A Taste of LaPlata County"—to more than 425 people, including Colorado Governor Roy Romer, Tim Schulz, director, Office of Local Affairs, and several legislators.

Tapping Into Tourism

Rural producers have begun charging for use of their land for hunting, fishing, and cross-country skiing. Others are charging people for the experience of working on a producing ranch or farm. The next phase of FRED involves producing and distributing a rural ranch and farm recreation guide.

Getting The Message Out

Extension agents can increase acceptance of economic development programs in agricultural communities, according to Rick Gruen, Extension agriculture/horticulture agent, La Plata County, Colorado. "Extension agents need to market their programs," Gruen says. "Agents need to share ideas, listen to feedback from their counties, and then attempt to fill needs so the program as a whole is well received. This acceptance must come not only from the agricultural community but also from the business community and local and state governments."

Gruen, who successfully launched an economic development campaign in LaPlata County, believes involvement on the part of many organizations is essential. "For our program to succeed," he says, "we needed the participation of representatives of the Southwest Economic Development District, the Office of Local Affairs, Fort Lewis College, the Economic Development Council, and many other local and state offices."

Reaching Producers

Gruen thinks that the message Extension agents need to communicate to producers is that economic development can benefit them directly. "Many producers believe that economic programs benefit only urban areas," Gruen says, "while at least part of the funding is generated in rural areas. When LaPlata County recently expanded its airport many producers felt the expansion cost them more in tax dollars, yet they did not personally gain from the investment. You can't argue with that viewpoint. And yet, if agents work with producers who want to try something different such as a bed and breakfast establishment, every plane load of tourists become potential clients."

"Discussing the concept of economic development in terms of personal economic gain places it in a more positive light," Gruen emphasizes, "and makes it more palatable to producers."

"Producers are looking to expand their operations," Gruen says, "to tap into the tourism experience. They are discovering that a ranch is a new environment for tourists who are willing to pay money to pick beans or ride horses. At the same time, hotel and motel operators hope to expand their businesses. Working ranches—not dude ranches—will give tourists an opportunity to experience life on a farm."

LaPlata County, Gruen believes, is gaining statewide attention because of the efforts of local citizens to develop programs that strengthen ties among the agriculture, business, and tourism sectors. "We believe we can provide common goals for the community," he says, "by implementing programs that promote cross-sector recognition and obtain benefits through integrated rural economic development." A

Katherine Timm
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Many local residents (left) were among the 425 people attending "A Taste of LaPlata County"—a dinner promoting food grown by area producers. Colorado Governor Roy Romer greets guests before delivering a talk on economic development.



Sowing The Seeds Of Economic Development

12 Extension Review



Diane Banegas
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Tom Harris, associate professor of agricultural economics, worked closely with Barbara Gunn, Extension family economics and management specialist, both of the University of Nevada, Reno, on a study of emergency medical services and indigent health costs which used Humboldt County as a model. Their efforts facilitated the passage of an Indigent Accident Fund bill which lessens the financial burden on Nevada's rural counties.

In late August 1986, a 19-year-old motorcyclist traveling on U.S. Highway 95 through Humboldt County, Nevada, crashed his bike and suffered massive head injuries. He was taken to Humboldt General Hospital and 2 hours later transported to Washoe Medical Hospital in Reno where he died after 1 week. Emergency medical services totaled \$42,000. The motorcyclist was an indigent.

Under Nevada state law, if a patient or the patient's family is unable to pay for emergency medical services, the hospital may bill the county where the accident occurred. Three years ago, Humboldt County managers would have had no recourse but to use county treasury funds to settle the bill. Today, as a result of efforts by Nevada Cooperative Extension and the Office of Rural Health at University of Nevada-Reno, (UNR), an indigent fund exists in the state, removing a heavy financial burden from Nevada's economically depressed rural counties.

Indigent health costs had been a problem for Nevada counties for some time when the Office of Rural Health, at University of Nevada-Reno, and Nevada Cooperative Extension pooled funds and commissioned Tom Harris, associate professor of agricultural economics, and Barbara Gunn, Extension family economics and management specialist, both of UNR, to study emergency medical services and indigent health costs.

Harris and Gunn used Humboldt County, a rural community, as a model. Their study revealed that emergency medical care for indigents was a financial drain on Nevada's counties—including Clark and Washoe—but especially affected rural counties, which have a smaller tax base from which to draw funds.

Indigent Accident Fund Bill

An outcome of this study was the passage of Assembly Bill No. 218, which established the Indigent Accident Fund through an *ad valorem* tax. This is one example of how economists at the College of Agriculture, UNR, are working to help rural Nevadans survive during current hard times.

As an agricultural economist, Harris believes helping rural Nevadans is an important part of his research for the college. He initiates research projects himself, or, as in the case of indigent health care, a study may be requested by an outside source. "We get quite a few calls from Extension faculty," Harris says. "They know firsthand what the needs and problems of their communities are. They serve as liaisons between clients and researchers at the college."

Fiscal Officer Robert Hanks of Lander County contacted Harris through Extension's Community Resource Development Program needing facts to develop new industry in the area when Battle Mountain and other communities had suffered setbacks due to mining shutdowns. Harris conducted a two-part study assessing the business community and the labor pool. Harris' study revealed existing zoning laws in Battle Mountain might be unfavorable in attracting new industry.

Collecting A Database

In Pahrump in Nye County, county officials asked Harris and Michael Mooney, state Extension specialist, economics, to conduct a Community Atlas Survey to determine if the community was attracting an older populace. This type of survey gives community decisionmakers an information database in areas such as age and sex distribution, community attitudes and priorities. The survey revealed that the age 55 and older population had increased from 33 percent in 1975 to 42 percent in 1982. These facts were included in a community brochure developed by Harris and Mooney that enabled the community to lobby successfully for a health care clinic to be built in their area.

"Mooney has always been available and helpful to any economic concerns in the rural areas," says Kenneth Redelsperger, state senator, central Nevada senatorial district, and a resident of Pahrump. "He has always been willing to make the resources of Extension at the university available. This is extremely important for the rural areas because we don't have resources of that nature available to us."

Workshops For Revitalization

To help rural towns accomplish economic development without new industry, Harris has participated in the Small Business Education Workshops at Oregon State University. These workshops were sponsored by the Western Rural Development Center there and by Extension services in 13 western states.


The workshops, Mooney points out, are part of a nationwide Extension effort to revitalize rural America. They were created to educate and inform rural westerners of business opportunities available in their own communities. After a Small Business Education Workshop in Caliente, the town developed an economic development council. Michael Mooney has been a guiding force in the creation of the committee.

Rural people who have traditionally relied on farming, mining, or another resource-based industry, often face obstacles when attempting to establish new businesses as a primary or supplementary source of income. They may lack the skills and information needed to develop a viable business plan or prepare financial statements when approaching money lenders. Skills in management, marketing, and customer relations may also be lacking.

By participating in the workshops, Harris and Mooney helped local Extension agents work with chambers of commerce to develop and evaluate surveys of merchants and customers. "Evaluations of the workshops were favorable," Mooney says. "People who missed the first workshop kept calling us back for more information."

Harris contributed substantially to the 1985 State Plan for Economic Development and Diversification with a thorough analysis of rural needs. "Nevada's whole economic development program is based on the plan," says Andrew Gross, executive director, Nevada Commission On Economic Development. "The state's economic development plan is nationally recognized as one of the best in the country. Tom Harris gave us a lot of insight and assistance. He is probably more responsible for the analysis and organization of the rural economic development proposals than anyone."

Harris and his Extension associates continue giving rural Nevadans educational and other forms of assistance to help them not only survive but thrive in their communities.

Extracted from an article in **AGFORUM**, a quarterly newsletter published by the Agricultural Information Office, College of Agriculture, University of Nevada-Reno. 



R e v i t a l i z i n g R u r a l
America

Food And Fiber Center— Processing For Added Value

14 Extension Review

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Mississippi
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Mississippi State,
Mississippi*

While Mississippi has long ranked with the best among food and fiber producing states, it has lagged far behind in processing raw products into consumer-ready goods. To work on reversing that trend and to capitalize on projections that beyond-the-farm-gate activities will grow in importance to the Nation's economic health, the Mississippi Cooperative Extension Service established a Food and Fiber Center in 1974. The mission: to provide "added value" to the state's economy through new and expanded processing and marketing of Mississippi's agricultural, aquacultural, forestry, and marine products.

Keeping Dollars At Home

By the 1980's, Mississippi's long-standing problem of keeping dollars at home was confronting the Nation as a whole. As a result the Food and Fiber Center has become a testing ground for programs other states, and perhaps the Nation, will need to capture a greater share of processing, marketing, and distribution dollars.

"It is expected that roughly three-fourths of the retail value of food, fiber, and forestry products (up from two-thirds in 1984) will be represented by processing, marketing, and distribution activities by the beginning of the 21st Century," said former Secretary of Agriculture John Block in 1984. "The beyond-the-farm-gate sector of the U.S. economy will become increasingly critical to national employment, the inflation rate, and the balance of payments."

Because so much of Mississippi's farm production is shipped out of state for processing, Mississippi agribusiness leaders have recognized the positive impact that further processing could have on the state's economy.

If all of Mississippi's \$3 billion dollars' worth of farm production, with an estimated consumer-ready value of \$15 billion, could be processed in-state, Mississippians might realize another \$12 billion each

"Adding value to our agricultural and forestry products will continue to be a broad and challenging area for us," says Joe McGilberry, manager of the Food and Fiber Center.

Unlike traditional economic development organizations, which most states have, the Food and Fiber Center has sought to focus its activities on expanding and enhancing agri-industries and agribusinesses already located within the state.



year and bring economic growth and stability to one of the Nation's poorest states.

Successful History

In 13 years the Food and Fiber Center has enjoyed some dramatic successes—creating thousands of new jobs, introducing numerous new food products into the marketplace, and saving hundreds of thousands of dollars for agribusinesses through improved management, production, and marketing.

Information For Decisionmaking

McGilberry points out that the center's accomplishments have come mainly through the staff's ability to focus on providing information for decisionmaking purposes to entrepreneurs and leaders within Mississippi firms and industries.

"We work with all segments of the food and fiber processing and marketing system," he says.

This means the Food and Fiber Center staff is deeply involved in educational activities with industries such as seafood, poultry, beef, catfish, forestry, feed and grain milling, vegetable, fruit and nut operations, specialty food products, and furniture manufacturing.

To meet the needs of these diverse industries, the center maintains a multidisciplinary staff of specialists. Staffers also can call on the expertise of others within Extension and on the faculty resources of the Division of Agriculture, Forestry, and Veterinary Medicine at Mississippi State University.

Support For Agribusinesses
Food and Fiber Center staff members have so far provided support for agribusinesses in five broad areas: new ventures,

The center has supported new ventures by offering feasibility studies and economic analyses intended to chart a more certain course for agribusinesses or individual entrepreneurs willing to try new ventures.

In the area of business management, the center staff provides services in areas such as business plan development, economic analysis, financial controls, in-plant productivity improvements, waste control and use, and market analysis.

ing a recent 18-month period introduced 31 new products into the marketplace. Work in this area also led to the formation of a Mississippi Specialty Foods Association. The center also supports product development among more traditional agricultural food and fiber processors.

"As a result of this work, three new beef and ham products, four new poultry products, two pastry products, five catfish and seafood products, and three dry mixes have been developed and introduced into the marketplace," McGilberry says.

Four studies relating to the cotton industry have improved the quality and the profitability of ginned cotton for a group of cotton farmers.

Catfish Industry

If one commodity can be singled out to demonstrate how the Food and Fiber Center has aided Mississippi, the farm-raised catfish industry would be the best example. The center has developed techniques and databases necessary for the farm-raised catfish industry to project investment costs and risks and many other needs for potential catfish processing investors.

"We conducted 11 major feasibility studies for catfish processing plants between 1979 and 1986," McGilberry notes. "Four of these plants are now in operation. Total capital investment will be about \$26 million, with more than 2,000 new jobs created."

Activities of the Food and Fiber Center have convinced many agribusiness leaders that this one-of-a-kind economic development concept offers a strategic key to solving problems in Mississippi's distressed economy. ▲

Opposite and left: A major goal of the Food and Fiber Center is to find ways to process such Mississippi-grown products as oyster mushrooms, pecans, fish, and bread products in-state. Below: Gladden Brooks, food technologist at the center, helps to develop and introduce new products made from traditional as well as non-traditional raw products grown in Mississippi.



business management, home-grown industries, new product development, and economic development.

By providing this support, the center helped a seafood processing firm avoid bankruptcy and provided information to corporate decisionmakers who doubled the capacity of a catfish processing plant and brought about 250 new jobs to Mississippi.

Similar business management help has been provided, McGilberry notes, to numerous industries involved in processing and packaging.

New And Improved Products
Center activity with home-grown industries includes such diverse subjects as product development, packaging, marketing and distribution, and management information systems. The 60 firms and individual entrepreneurs with whom the center worked dur-

A Home-Based Business— Key To Self-Sufficiency

16 Extension Review

Maurice W. Dorsey, Cochair,
Extension Home Economics Agent, Wards 5 and 6, and
Marechalniel W. Dennis, Cochair,
Extension Home Economics Agent, Wards 7 and 8, University of the District of Columbia, Washington, D.C.

Maurice Dorsey, Extension home economics agent and cochair, Wards 5 and 6, University of the District of Columbia, Washington, D.C., suggests an appropriate business publication for a participant during a 1-day conference on starting a home-based business. The conference was cosponsored by the District's Office of Human Rights and the Minority Business Opportunity Commission.

Although the District of Columbia's 1985 unemployment situation was an improvement over 1983, the 8.5 percent unemployment rate meant that the city still had 27,000 unemployed persons. In Ward 8, the unemployment rate was 13.3 percent, and Wards 5, 6, and 7 also had a higher than average number of job seekers.

The people in these areas of the city needed help in finding ways to earn money to increase their incomes. Extension knew that for some people who had marketable skills and know-how, a home-based business could be a possible alternative.

Many of the more than 1 million people in the United States who have businesses in their homes share some common problems, however: (1) they lack sufficient management skills, (2) they lack marketing skills, and (3) they have difficulty obtaining operating funds. The latter can be a par-

ticular problem for women, who often have trouble obtaining credit.

Avoiding Problems

To help people avoid some of these problems while starting a home-based business, Extension home economists planned a 1-day conference, aimed primarily at clients in Wards 5 through 8. Titled "Home-Based Business: A Key to Self-Sufficiency," the event was cosponsored by the city's Office of Human Rights and the Minority Business Opportunity Commission.

Objectives of the conference were to: identify personal goals, understand space needs and legal and financial requirements, understand the importance of marketing knowledge, and learn about available resources.

The agenda included a keynote address by the chair of the City Council's Housing, Business, and Economic Development Committee as well as lectures and workshops focused on starting, organizing, and maintaining a business. Government agencies, the private sector, and nearby colleges and universities provided guest speakers, printed materials, and mass media coverage.

Assessing Capabilities

The conference successfully enabled participants to assess their capability for operating a home-based business, and it prepared Extension agents to do a better job of advising clients about the advantages and disadvantages of this approach to increasing income. Conference-goers met others with similar home-based business interests as well as many resource people to whom they could turn for assistance and information.

Evaluations showed that the most useful part of the conference was the opportunity for "networking" among home-based business owners.

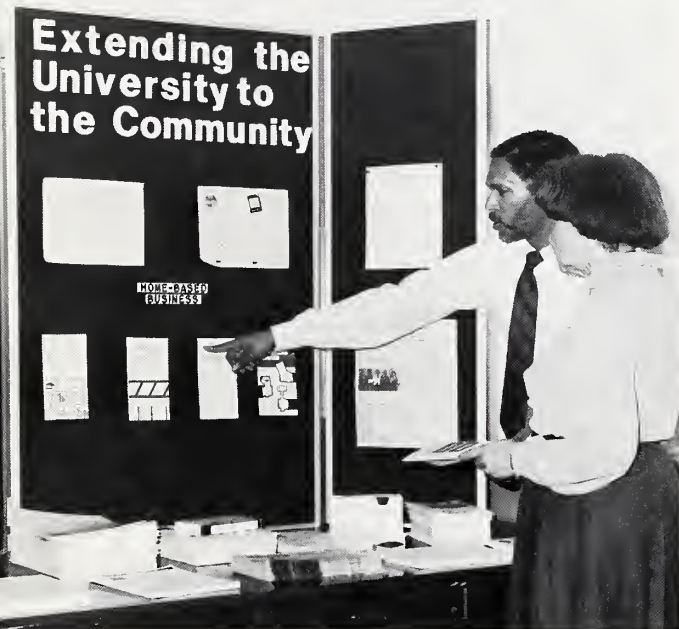
Participants also believed that two days should have been allotted for the conference, and that indepth followup sessions should be held on specific topics.

Participation

Information on the participants' background revealed that 33 percent already owned a home-based business and 37 percent were planning to start one. Of the existing businesses, 66 percent were part-time. Thirty-three percent of the businesses provided partial but substantial support, and 31 percent provided full support. Most of the businesses were in the areas of design, office services, and management consulting.

Future Plans

Wards 5, 6, 7, and 8 of the home economics staff will take active leadership to develop further linkages with the community and both private and public cooperating agencies. Future workshops will focus on expansion efforts with a followup to determine adoption of recommended practices. A



Supplementing income is essential for many families in West Virginia, the state with the Nation's highest unemployment rate. With Extension's help, some West Virginians are earning additional money by establishing home-based businesses that provide needed services and products.

Custom Dressmaking

In 1981, West Virginia University's Extension Service began providing workshops and seminars on home-based businesses. At that time, Extension at West Virginia University received a USDA special needs grant to fund workshops on custom dressmaking as a home-based business. Over the next 2 years, 261 people from 37 of West Virginia's 55 counties attended nine such workshops.

An interdisciplinary Extension committee planned and conducted the workshops. The group included specialists in business education, business management, consumer education and family management, and clothing and textiles. Two days of each workshop emphasized financial, legal, and other business concerns, and the third day concentrated on the skills needed for custom dressmaking.

Cooperation from professional volunteers was a vital part of the endeavor. Local attorneys, independent insurance agents, representatives from the U.S. Small Business Administration, and a graduate assistant hired under the grant presented parts of the workshops.

A final questionnaire mailed to all participants at the end of the workshop series revealed that 17 of 23 businesses established before the workshops were held were still operating, as were 10 of 11 new businesses started after the workshops. As a result of the grant, by 1984 17 new home-based businesses had been established.

One participant, who has a home-based alteration business, complains good-naturedly, "Business is so great I don't have time for anything but sewing. I have 200 customers and have done as many as 60 garments per person."

As another woman wrote, however, "I've decided that a small business is not for me at this time." Helping people make such decisions was a vital part of the workshops.

Prototype Seminars

In 1984, the success of the custom dressmaking workshops led to the organization of a state home-based business task force (two Extension specialists and three county Extension home economists) which developed two prototype seminars. The seminars had two purposes: (1) to provide a format for Extension agents to follow in helping people plan and implement home-based businesses and (2) to provide information to established and potential entrepreneurs.

The first seminar covered custom crafts, home maintenance, and bed and breakfast operations; the second presented those three plus personal services, dressmaking, and food services. Local entrepreneurs and professionals cooperated in the seminar presentations, as did the Small Business Development Center; State Departments of Commerce, Insurance, and Taxes; Women's Commission; Women and Employment, Inc.; and a private college. More than one-third of West Virginia's county Extension home economists attended one of the two prototype seminars.

Bed and Breakfast

Since tourism is the second largest industry in West Virginia, the task force decided to concentrate next on developing "bed and breakfast" businesses. Many West Virginians have large homes which are ideal for such operations and which are located in areas that have major



festivals, fairs, state parks, colleges or universities, and other tourist attractions.

Since September 1986, a team made up of Extension specialists, county Extension home economists, and representatives of the State Department of Commerce have reached about 270 people from 30 counties with 10 one-day workshops on starting a bed and breakfast business. A panel of bed and breakfast hosts participated in nine of the 10 workshops.

Before the workshops, there were 26 registered bed and breakfast businesses in the state; now there are more than 50. With guidance from evaluations of the earlier workshops, Extension planned followup sessions for fall 1987 and spring 1988. Volunteer professionals were scheduled to discuss the business aspects of operating a bed and breakfast, including taxes, management skills, insurance, marketing, networking, recordkeeping, and shopping for loans.

Economic Opportunity

Home-based businesses are indeed an economic development opportunity for West Virginia residents. Extension plans to continue assisting county and multicounty groups as they explore ways to improve this vital part of the state's economy. A

M. Kate Clark
Extension Consumer Management Specialist, Division of Home Economics and 4-H West Virginia University, Morgantown

M. Kate Clark, Extension consumer management specialist, at West Virginia University, (left), chats with Ruie Crauford, Lost Creek, West Virginia, about Crauford's bed and breakfast operation. The workshops on home-based businesses provided by Extension at West Virginia University have helped many established and potential entrepreneurs with information vital to their success.

Master Teachers Turn Skills Into Profit

18 Extension Review

Margaret A. Duffy
Extension State
Specialist,
Home-Based Business,
Division of Home
Economics
University of
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Extension home economists and trained volunteer "Master Teachers" in Massachusetts have reached over 8,000 participants with the Home-Based Business Master Teacher Project. The one-year pilot project, which employed personal counseling, workshops, and other special events, was designed to provide practical start-up help and business basics to those with special skills and talents.

The project emphasized five profit-making businesses: Sewing And Related Arts, Family Day Care, Bed And Breakfast Operations, Food Preparation, and Housecleaning. The objective was to help Extension clientele either start or expand a home-based business, or, decide not to go into business.



Opposite and above: Clientele with skills in family day care and crafts were among 8,000 participants in Massachusetts provided with practical start-up help and business basics by the Home-Based Business Master Teacher Project. This one-year pilot project, featuring a week-long conference conducted by Extension at the University of Massachusetts, resulted in the training of 60 master teachers whose volunteer time was worth an estimated \$42,000.

Need For Information

"In the past, home-based business related to home economics was not a major educational thrust," says Elsie Fetterman, state program leader, Extension home economics at the University of Massachusetts. "However, we were surprised to discover that Extension clientele in Massachusetts were already earning an average of \$1,500 per year, per household, using home economic skills.

"In addition, our statewide Sewing As A Business conferences were a huge success," adds Fetterman. "This showed us there was a need for more information about how to turn a special skill or hobby into a profit-making business."

The following factors contributed to initiating the Home-Based Business Master Teacher Project: the successful use of the master teacher concept in other Extension areas to train volunteers and thus reach a wider audience; Extension expertise in home economic subject areas and the organizational skills to offer educational assistance in a wide range of business areas; acknowledgement that home-based businesses were becoming an important part of the economy; and the realization that no other educational organization was providing practical start-up help to home-based entrepreneurs with special skills and talents.

Organization And Funding

The Home-Based Business Task Force, consisting of Extension home economists from across the state, first had to organize the 13 participating counties. They needed to identify funding sources, develop resource materials, and recruit qualified master teachers. In addition, project support materials had to be developed as well as evaluation tools.

Seventeen thousand dollars was obtained through university endowment and private sector funding that permitted the training of 15 home economists and 70 master teachers. To provide start-up assistance and business basics, 17 factsheets were prepared in five special home-economic-related areas. (These factsheets were honored in 1986 with an Agricultural Communicators in Education Award for Excellence.)

County home economists, it was determined, would both recruit and supervise their own master teachers. In return for intensive instruction, each master teacher would be required to volunteer 100 hours to aid potential and existing home-based entrepreneurs in their community.

Major Phases

The project had four major phases: A two-day inservice training period for Extension home economists that oriented them toward the subject of home-based business and the "master

teacher" concept; a week-long conference at the University of Massachusetts for supervising home economists and master teachers at which 35 hours of comprehensive instruction were provided on such topics as Developing A Business Plan, Pricing For Profit, Obtaining Financing, and more; a 9-month period where each master teacher worked under the supervision of the county home economist on such home-based business activities as workshop development, organizing network groups, and conducting personal counseling sessions; and the evaluation of the project by the county home economist, the master teacher, and the client.

Selection And Recruitment

The task force developed strong criteria for



selecting and recruiting master teachers. For example, candidates were expected to have a strong interest in home-based business and, preferably, business experience. They were required to have good people skills and carry out the 100-hour volunteer commitment with minimal supervision. As a result, 150 individuals applied to become master teachers but only 70 were accepted into the program.

Project aids developed for the master teachers included radio and cable TV P.S.A.'s, posters to advertise the free assistance, master teacher recognition award certificates, and project evaluation tools.

Project Results

Sixty master teachers successfully completed the training and their 100-hour commitment. The time they volunteered was worth an estimated \$42,000.

Over 8,000 Massachusetts residents were reached through more than 200 workshops and special events, one-to-one counseling, and factsheet requests. The project received excellent media attention—coverage included nearly 200 newspaper articles and 46 radio and TV shows statewide.

A followup study was conducted 6 months after the project ended to measure its impact on potential and existing entrepreneurs. Questionnaires were mailed to 1,309 of the 8,000 participating individuals. Eighty-two percent of respondents who answered stated they found the information helpful, 51 percent replied that they were now operating a business in the home (a 12-percent increase), and 43 percent stated they were now earning income (a 20-percent increase). Total dollar earnings by home-business entrepreneurs who participated in the project more than doubled.

Measuring Impact

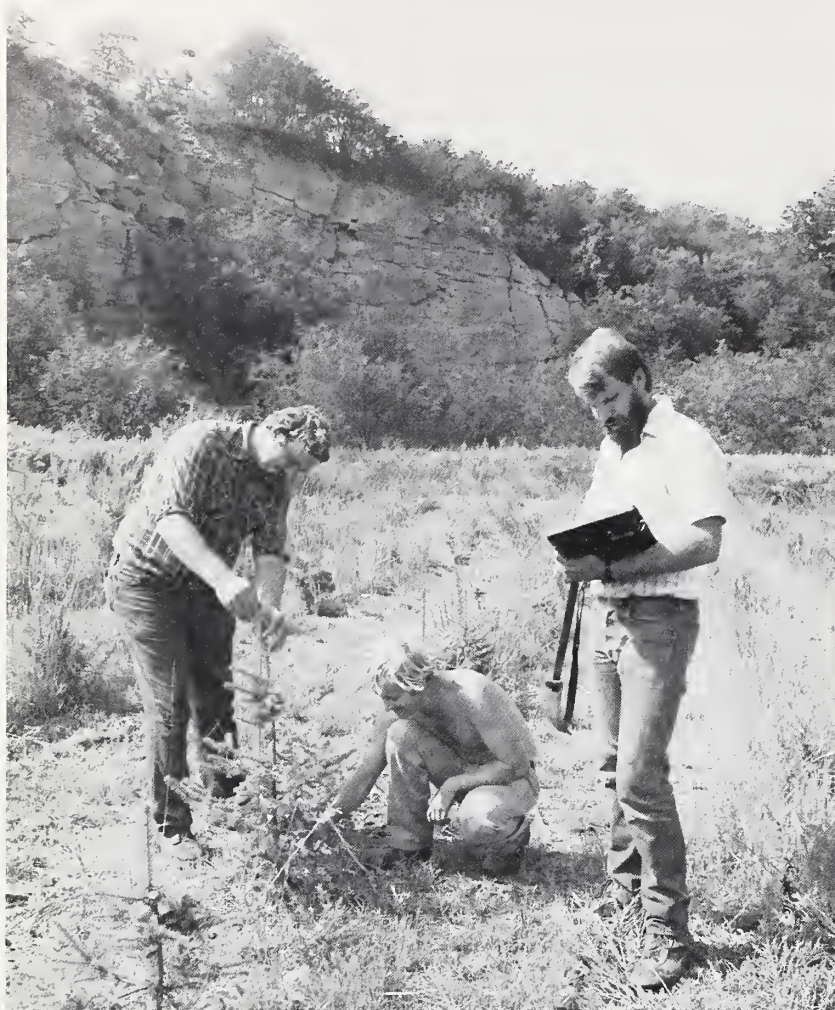
At present, Extension is examining the feasibility of continuing the Home-Based Business Master Teacher Project. In the interim, however, home economists continue to respond to client needs through workshops, counseling, newsletters, and factsheets.

The effectiveness of the project remains evident from county activity. In Franklin County, Extension helped to organize a professional association of bed and breakfast operators who combine their resources for both advertising and bulk ordering of supplies. In Middlesex County, as a result of the project, master teachers helped to establish a clothing cooperative to provide those with sewing skills an outlet to sell hand-crafted clothing and accessories. In Berkshire County, the project spurred residents to assist in the formation of a business incubator for small business start-ups.

A home-based business that can survive, prosper, and grow will have a positive impact on a vigorous small business community. In Massachusetts, we believe the Home-Based Master Teacher Project achieved that impact when it reached thousands of potential and existing entrepreneurs. ▲

Expanding The Powell River Project

20 *Extension Review*



Sherrie R. Whaley
*Extension Information
Officer,
Virginia Tech,
Blacksburg*

Opposite top: Students from Virginia's coal-producing counties visit the headquarters of the Powell River Project where Extension researchers from Virginia Tech find new ways to transform surface-mined land to improve the region economically. Below: Virginia Tech's radio-TV unit interviews Extension animal scientist John Gerken. Above: At the project, Tom Nichols (left), Extension forestry specialist, measures tree growth aided by assistants. Note "highwall" in background left by surface mining.

For over a century, the coal reserves—the “black diamonds”—of southwestern Virginia provided a livelihood for many citizens. However, in recent years, the coal industry labor force has been scaled back as improved production techniques and modern machinery replaced human labor. Faced with high unemployment rates and rising poverty levels in the region, state and local leaders began to look to the land once again for solutions.

Since its creation in 1980, the Powell River project has become a nationally recognized model of cooperation between industry, academia, and government at all levels. Through the project, Extension specialists and researchers from Virginia Tech are searching for ways to transform surface-mined land into productive sites for industry, agriculture, and tourism.

The Powell River Project offers possible answers to the region's dilemma by focusing on a variety of environmental, social, and economic issues. For example, Virginia Tech engineers are studying the effects of erosion and land slope on crop potential and water quality. Horticulturists have planted a variety of crops on mine spoils, including fruit orchards and vineyards. Animal science specialists are employing forages grown on abandoned strip mines to raise beef cattle. Mining engineers are studying the surface effects of underground mining.

Human Resources Study

The human resources of the mining community are also receiving deserved attention. Thomas G. Johnson, Extension rural development specialist at Virginia Tech, recently completed a 3-year study of the quality of life in Virginia's coal region. “The quality of life in the coal-producing counties generally lags behind the rest of the state,” Johnson says. “Unfortunately, the gap is growing wider.”

Johnson points out that the region's traditional dependence on the coal industry, and its narrow economic base, has an overwhelming effect on quality of life and how coal field residents view the future. Despite improvements in the coal fields, the region leads the state in such categories as suicide, unemployment, percentage of families below the poverty line, and welfare and disability payments.

Without the confidence that their levels of income will remain secure, southwest Virginia residents are hesitant, Johnson found, to invest in either human or physical capital. This failure to invest in the future, he believes, is apparent in many of the region's problems: lower educational achievement; more health problems; and less adequate water, sewer, and road systems when compared to the rest of the state. “The coal region must have this investment,” Johnson says, “to broaden its economic base.”

Education, Johnson notes, is also of particular importance to the area. Historically, the school dropout rate in the coal-producing counties has been much higher than the state average. Over the past few years this gap has been narrowing.

“The educational level of the workforce is important,” Richard M. Bagley, state secretary for economic development, emphasized at the 1987 Powell River Project Field Day. Speaking before 700 students from across southwestern Virginia, Bagley urged the students to “educate themselves both about the coal industry and economic diversification.”



Unfortunately, Johnson discovered in his study, the majority of talented students from the coal-producing counties leave the region after earning their degrees.

Easing Economic Hardships

Powell River Project activities, says H. John Gerken Jr., Extension animal scientist and project coordinator, Virginia Tech, are aimed at easing these economic hardships, not only for Virginians but for residents throughout the Appalachian coal states.

"Much of our research is also applicable to mining regions in neighboring Kentucky, West Virginia, and Tennessee," he points out. "We plan to expand our mission to include the confrontation of problems that are common to the entire Appalachian coal region."

Leaders of the Powell River Project recently endorsed an ambitious plan to expand the project and increase its impact on the coal industry and coal communities. The project goals include:

- Increasing the yearly budget of the project from \$300,000 to \$2 million within a 5-year period.
- Hiring a full-time project director and establishing a Powell River Project field office. (Plans call for the eventual construction of a reclamation center to serve as a clearinghouse for ideas in the Appalachian coal states.)
- Developing an outreach program with workshops and publications to ensure that lessons learned from the Powell River Project are put to work.
- Conducting a heightened information program to educate local citizens about the project and its mission.

Project research has proven that mined land can be effectively reclaimed for numerous uses, while simultaneously providing protection for the environment. Through the use of long-range planning and foresight, leaders of the Powell River Project are shaping it so that for years to come it will remain a force for positive change in the Appalachian coal region. **A**



POWELL RIVER PROJECT

Changing Directions: The Choice Is Theirs

Jane A. Scherer
Extension Program
Coordinator,
Consumer and
Homemaking
Education Program
University of Illinois,
Urbana

The average worker can expect to change careers three to five times and work for 10 different employers. Whether forced or voluntary, these changes require people to reassess their abilities and enhance their job-searching skills.

In Illinois, major employers have laid off or terminated thousands of workers. At the same time, an increasing number of farm families are being forced to find supplemental off-farm employment or to leave the farm and seek new careers. Rising living costs are forcing homemakers and retirees to seek part-time or full-time employment.

Many of these people do not know how to prepare for a successful job search. The Cooperative Extension Service is in a unique position to provide them with decisionmaking training and job search support.

Exploring Options

Looking at career options is difficult for farm families, since most have spent their entire life on the farm. They have never had a job interview or evaluated their skills and abilities.

"Our job is to help them think it through and realize that they have many marketable skills," says James Morrison, Lee County Extension advisor.

Farmers have strong skills in time management, supervision, handling many tasks at once, problemsolving, financial management, working with public officials, and understanding their environment. They are self-starters, ambitious, and detail-oriented, and they take great pride in their work.

Changing Directions

As part of their "Changing Directions ... The Choice Is Yours" Program, Illinois Extension specialists Marjorie Sohn and Jane Scherer included a series of activities and worksheets to help farmers recognize their unique traits and talents.

With the help of a 19-minute videotape—which profiles five Illinois farm families, the pro-

Other program components include sample resumes, interview questions, local resource directories, and evaluation instruments. When the best option is to go back to school for retraining, the program helps farm families make the necessary connections.

Low-Income Clientele

Each month, the Illinois Consumer and Homemaking Educa-

CHANGING DIRECTIONS?

SELF-STUDY PROGRAM
EVALUATION

After completion of the self-study materials, please fill out this evaluation and send to the name and address listed on the last page.

What You Learned:

1. As a result of completing the self-study program, do you:

	YES	NO
Know more about yourself and your own skills and abilities		
Know more about where to look for a job		
Know more about developing and writing a resume		
Know more about preparing for an interview		
Feel better about participating in job interviews		
Have the confidence to go after and get the type of job you want		
Have a job objective		

gram helps people see that they are not alone. Designed for both group meetings and self-study, the videotape discusses how people began new careers, returned to school, compiled a resume, established an onfarm retail business, determined the costs of a job, and conducted a successful job search.

tion Program (CHEP) reaches more than 1,000 displaced homemakers who are on public aid. The employment aspect of CHEP prepares participants for the job market by improving their job search skills; helping them to develop marketable skills or to see how their exist-

ing skills could be transferred to paid employment; and building their self-confidence about finding, getting, and keeping a job.

State specialists have trained 35 CHEP paraprofessionals to help clients assess their skills and locate jobs, and they have developed employment-related teaching materials for this audience. In the past year, the program reached 125 low-income clients with education about preparing for the job market.

Changing Lives

All of the 26 participants who were surveyed about their continued education reported that they had returned to school as a result of the CHEP lessons. More than one-fourth of the group said that their educational advancement had led them to a job.

Of the 48 homemakers who were questioned about the results of their participation in CHEP employment lessons, 54 percent have been placed in a job—a high placement rate, considering the extremely high percentage of unemployment in the CHEP target communities.

When asked how their lives changed after they found a job, homemakers listed several positive results, including more self-confidence, more income, less illness, and fewer family arguments.

Success Stories

The CHEP program can cite many notable achievements. For example, a 19-year-old resi-

Farmer's Market Line—Connection To Quality

Because of high land values, taxes, and scarcity of affordable labor, New Jersey growers must work as hard as any in the Nation to stay competitive.

The Farmer's Market Line, the newest project of Rutgers Cooperative Extension, is aimed at increasing the efficiency of wholesale and retail marketing in the state.

The market line is a computer-based information exchange service designed to bring together buyers and sellers of agricultural commodities. The pilot project, initiated and coordinated by Bruce Barbour and John Dumschat, Sussex County agricultural agents, is opening new markets for the growers involved. Eleven counties in the state are participating in the project which is conducted in cooperation with the Sussex County Economic Development Commission, the New Jersey Department of Agriculture, and several county boards of agriculture throughout the state.

A telephone and a personal computer are used to keep a running inventory of agricultural products available

on farms in the marketing region. Growers submit their information over a special phone line which has a message recorder operating 24 hours a day, 7 days a week.

Buyers who inquire about farm products receive a printed list of farms that records show have the desired commodity on hand. Buyers receive a response within 12 hours of receipt of any call, Monday through Friday. To date there have been 470 registered users and 2,500 phonecalls. There is no charge for the use of the market line.

Some examples of "farm products" that are sold through the market line are fruit, vegetables, livestock, flowers, hay, firewood, sod, and nursery stock. There is a listing for farm machinery. All agreements are negotiated directly between the buyer and the seller.

In October 1987, Rutgers Cooperative Extension instituted an online computer bulletin board version of the Farmer's Market Line. Rutgers Extension factsheets on various agricultural subjects are also posted on the computer bulletin board.

Bruce M. Barbour
Senior County Agent,
Rutgers Cooperative
Extension,
Sussex County
Newton, New Jersey

dent of a drug and alcohol rehabilitation center had job skills, but no idea of how to market them.

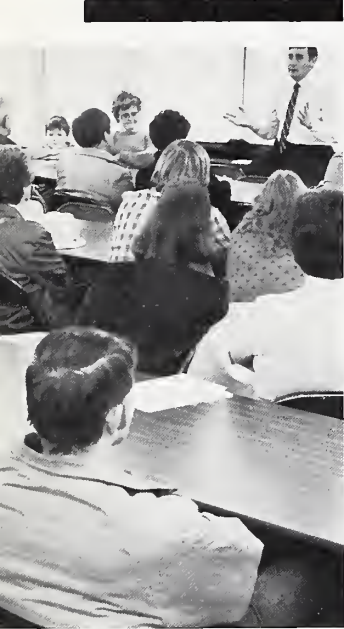
"When he had jobs in the past, he had trouble keeping them," says Sarah Pashia, CHEP community worker. "I taught him

how to write a resume, conduct a job search, and prepare for an interview. After five lessons, he was very confident. He got a new job as a mechanic and is happy to be back in the workforce." A

Career Assistance For Farmers

24 Extension Review

Thomas W. Ilvento
and
Paul D. Warner
Extension Community
Development
Specialists,
Community Affairs
University of
Kentucky,
Lexington



Dewey Crawford, Toyota personnel director, discusses procedures for employment at his company with farmers and their families. Career Assistance For Farmers (CAFF), a University of Kentucky pilot project, targets employability skills training for farmers in the off-farm job market.

Most farmers have a strong desire to continue farming, but insufficient profits or burdensome debt have caused many to reevaluate their status. Although some will be able to "weather the storm" by modifying their farming practices, others will find that farming is no longer a viable option.

Career Assistance For Farmers (CAFF) is a University of Kentucky pilot project designed to provide guidance to farmers, farm family members, and farm workers who must shift to off-farm employment.

Overcoming Disadvantages

Farmers are at a disadvantage in the off-farm job market for two reasons: 1. Many farmers have had limited off-farm work experience, so they may not understand the process for obtaining a job; and 2. many employers do not understand how farm-related skills can be applied in the off-farm sector.

The primary component of the Career Assistance For Farmers program is employability skills training. A series of six training modules guide clients (either singly or in groups) through the entire job search process. The modules cover: skill identification, job search strategy, writing a resume, the job application, the interview, and accepting and starting the job.

Pilot Project

A 16-county region in central Kentucky where a major manufacturer had announced plans to locate was the site for the 1-year CAFF pilot project, which began in July 1986. Major funding came from Title II-A of the Federal Job Training and Partnership Act (JTPA) for the economically disadvantaged. Extension at the University of Kentucky made in-kind donations of staff time and services.

Each of the three career assistance specialists who were hired to implement CAFF was responsible for a five- or six-county area; two Extension specialists were project leaders. The main focus of the program was a series of seminars presented in each county.

The career assistance specialists developed extensive contacts with local civic and business leaders, both to educate them about the problem and to allow them to make suggestions for the seminar programs.

Program Results

More than 60 farm families took advantage of the training seminars, and another 25 people asked for Extension's assistance with specific job-search problems. The career assistance specialists contacted representatives of more than 120 businesses and spoke about the program to more than 1,250 professionals and lay leaders throughout the state and at national conferences.

About 80 percent of the program participants were men. They represented a wide range of farm situations, from those still engaged in farming to several who had recently participated in the dairy buyout. Most either owned or worked on family farm operations.

A Positive Approach

The seminars stressed to farmers the idea of "selling themselves" to employers and the importance of a positive attitude and persistence.

By talking to employers, the specialists discovered that many do not understand what skills farmers have or what jobs they are capable of doing.

Dispelling Misconceptions

The seminars revealed that many farmers have misconceptions about various aspects of off-farm employment, such as what employers look for when hiring, pay scales, benefits, and employer expectations. Many had unrealistically high wage and benefit expectations, for

example, and some older farmers were unnecessarily pessimistic about their ability to compete with younger job applicants.

Speakers from local companies were helpful in discussing many of these sensitive issues and in giving farmers a better perspective on the job market. By the end of the seminars, many farmers were much more optimistic about their chances of finding employment and were actively writing resumes and applying for jobs.


Followup

A followup survey revealed that more than half of the seminar participants had completed a resume and 78 percent had submitted a job application; however, only 45 percent had been interviewed for a job. None had enrolled in training programs, despite the fact that many had expressed interest in career training. Seven percent had begun working on a high school equivalency degree.

Fifty-six percent of the participants who were unemployed at the time of the seminars and who were actively looking for work were employed by the time of the survey, most in full-time positions.

Many others were optimistic about obtaining employment at the new manufacturing plant scheduled to begin operation in the area soon. A few people were continuing to farm.

Publication Availability

The CAFF staff is revising the training modules into a teacher's manual format. The manual will be published by the Southern Rural Development Center at Mississippi State University and made available for use by other states. 

Community Economic Development Workshops

Monona, Oskaloosa, and Northwood are three of the 60 communities which have participated in Iowa's Community Economic Development workshops. Their local leaders are unanimous about the benefits to their communities after their participation.

Since the workshops, the economic development group in Monona, located in northeast Iowa (population 1,530), has acquired new businesses, is advertising the community to prospective businesses, erected a new sign welcoming visitors, reviewed other communities' development programs, participates in programs of the Iowa Department of Economic Development, and produced a videotape to promote the community.

"The workshop helped create community awareness about what the development group was doing," says Monona banker Jim Burger. "It helped create positive feelings in the community."

Following the workshop in Oskaloosa, located in southeast Iowa (population 10,989), that community opened a new shopping center, garnered two new industries, achieved dramatic improvement in attitude and community self-image, started community image activities (litter control, cleanup, flowers), and initiated a Main Street renewal.

"We've really tackled the community problems with some positive results," comments Warren Fye, Oskaloosa Chamber of Commerce executive.

In Northwood, Iowa (population 2,193), Mayor Eine Lunde reports the community has erected a building to recruit business prospects, received

state grants to recruit industry and help a local cabinetry firm expand, and created a seed capital firm that has raised more than \$30,000 in investment capital to help local businesses.

Workshop Requirements

Before a workshop is scheduled, three conditions must be met: All participants must agree to commit an entire day to the workshop; the community must have a strong local sponsor to convene the workshop and to provide a core of leadership for followup activities; and participants must pay a modest fee (usually around \$12) to defray a small part of the workshop costs.

Who Participates?

The 12 to 20 local participants generally include: (1) members of the board of the local development corporation; (2) representatives from the Chamber of Commerce; (3) local government officials; (4) officers of local financial institutions; and (5) others who can make some special contribution to the process.

Iowa State University participants include Charles Gratto and Daniel Otto, Extension economists; Stuart Huntington, planning and development specialist; the area community resource development specialist; and the county Extension director. State, area, and local Extension staff members all have important roles in the workshops.

A Typical Workshop

All of the workshops contain many of the same elements:

- An opportunity for university participants to tour the community, meet with local and area Extension staff, and talk with community leaders.
- A discussion of standard economic development strategies and the need for balance among strategies.

- Completion of a 23-question "community self-assessment" audit concerning actions communities can take to enhance growth prospects.

- Presentation of data on the local, Iowa, and U.S. economies and how they interact to affect the economic situation of the community.


- Creation of a ranked list of actions the community can take to enhance prospects for economic growth. The list is limited to actions which are within the power of the community and which can be completed within about 6 months.

- Dividing into work groups, each of which prepares a detailed plan on how to accomplish two or three of the projects from the priority list. Group members decide what will be done, when it will be done, and who will do it.

- Sharing plans among groups so efforts can be coordinated.

- Choosing a time to meet again to hear progress reports. Sometimes the sponsoring group sets up future meetings; sometimes the workshop participants create a new organization to take charge. In either case, Extension remains ready to support the work.

A Versatile Model

The format for these Iowa Community Economic Development workshops was adapted from Wisconsin's successful experience. Because the workshop model is applicable in a variety of situations, other State Extension Services may find it as useful a community development tool as Iowa has. 

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Rusty Bucket Strategies In Missouri

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Clearinghouse and
Tool Kit Manager,
and

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Extension Community
Development Specialist
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Many Missouri community groups are discovering that community economic development depends on them. Through Rusty Bucket Workshops and a *Tool Kit For Alternative Economic Development*, they are seeing their community, its resources, and its options in a new light. The "can-do" emphasis of this Extension economic development program helps communities build on their current capacities.

Jerry Wade and Mary Simon Leuci, both members of Extension's community development staff, University of Missouri, Columbia, originated the program. They use a rusty bucket to illustrate how money flows and leaks through a local economy. Next they help the community identify local economic

development strategies that the rusty bucket analogy suggests to plug the leaks and bring jobs back home, regardless of the community's size. These strategies are the basis for identifying potential alternative economic activities that will diversify and stabilize the local economic base.

Methodology for Development

Wade says that his "rusty bucket" workshop evolved along with the Clearinghouse for Community Economic Development and the *Tool Kit for Alternative Economic Development*, both of which are managed by Leuci. Together, they present a methodology for community economic development and a supportive set of multimedia educational materials.

successfully pursuing these activities.

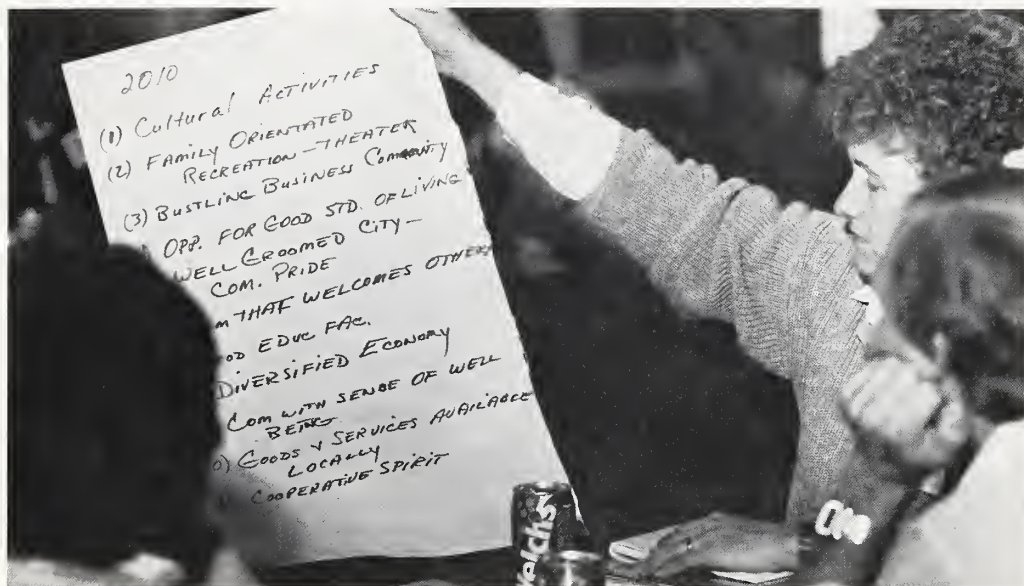
During the past 2-1/2 years, Wade and Leuci have demonstrated the effectiveness of the rusty bucket strategies in over 25 workshops. These have been hosted by community groups in Missouri, Iowa, and South Dakota and presented at regional and national meetings of agriculturalists, community developers, and energy officials.

Their work has resulted in international inquiries and the purchase and use of Tool Kits by groups in 20 other states. Several states—Texas and Georgia, in particular—have made extensive use of the Tool Kit in their economic development programming.

Making A Difference

The workshops and use of the Tool Kit have made a difference in Missouri in both dramatic and subtle ways. As a result of a workshop conducted in Stone County, Wade and Leuci were asked to present the workshop to the Missouri Legislative Conference on Rural Economic Development in August 1987. The 30 legislators who participated left the conference excited about the possibilities for revitalization of their home communities.

The rusty bucket strategies appeal to groups for several reasons. The program's commonsense approach encourages people to dig right into participatory sessions. They come away with hope for the future of their community—whether its population is 100 or 500,000—and with a mechanism for generating ideas to bring about this future.



resources and capacities and develop ideas for using these to rebuild the community.

Import substitution, value addition, and resource enhancement are three internal economic de-

The Tool Kit, designed and developed by Wade, Leuci, and Carolyn Cook, provides the means for others to replicate the Rusty Bucket Workshop. It also contains supplementary materials for followup to the workshop and resources for studying, developing, and suc-



For example, people in Pettis County, Missouri, are exploring the importance of growing more vegetables and fruits locally instead of importing them from California. The community of Mexico, Missouri, is studying the feasibility of generating power and new jobs from its wastes. And a locker plant in Hamilton, Missouri, is butchering and selling locally grown beef to the school system.

Cooperation for Renewal

As the concepts of economic development have fermented within communities, new community organizations have sprouted, and existing organizations have assumed more responsibility.

The Tool Kit, like the workshops, has given people hands-on opportunities in community economic development. What are the "tools" which provide these opportunities? A videotape replicates part of Wade's workshop presentation and introduces the underlying prin-

ciples and strategies of internal development. Through a semiannual bulletin, communities and organizations can share ideas for community development activities.

A computerized *Catalog Of Ideas*, updated semiannually, contains case examples and resources. The case examples illustrate successful alternative economic activities from around the country. The resource database lists organizations, publications, audiovisuals, software, and conferences.

Alternatives For The 80's

The foundation for the rusty bucket methodology of community economic development rests in the experience of Extension Community Development Specialists Jerry Wade and Jack McCall in Missouri communities.

Their work underpinned the Alternatives for the 80's project begun in 1985 in response to Missouri's declining rural economy.

That project, cooperatively supported by the university of Missouri, university Extension,

and Lincoln University, provided seed money for innovative projects that would strengthen Missouri communities' economies through application of Wade's internal strategies.

Since July 1986, the Tool Kit has been available in Missouri's county University Extension offices. The Clearinghouse has collected numerous community economic development materials, developed a community economic development bibliography, and functions as a referral/information source for persons throughout the country.

For more information about the workshop or the *Tool Kit For Alternative Economic Development*, contact:

Mary Simon Leuci
Missouri Community Economic Development Projects
628 Clark Hall
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(314) 882-2937.

Extension specialists at the University of Missouri, Columbia, initiated the Rusty Bucket Workshops to help communities develop by using internal economic development strategies. Opposite: Participants list their projected community goals at a workshop in Maryville. Top: Participant at Maryville workshop jots down ideas in a futuring exercise. Below left: Jerry Wade, Extension community development specialist and workshop director, who developed the program with Mary Simon Leuci, Extension community development specialist and clearinghouse manager, both of the University of Missouri, Columbia, instructs on business economic development at the Maryville workshop. Right: Maryville workshop participants discuss resource enhancement, one of the internal economic development strategies.



Watchword For Rural America

28 Extension Review

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Economic development has become the "watchword" for rural America as local leaders struggle to revitalize their communities. Their goal is to maintain and enhance the quality of rural life by diversifying the economy and creating additional jobs and income.

To be effective, rural leaders need to understand and have an impact on the many national and state issues that are critical to both rural and urban development. They also need to know what policies and strategies are possible at the local level.

Workshop Series

The Oklahoma Cooperative Extension Service has created a community economic development workshop series to help local decisionmakers plan and implement development strategies. The purpose of this pilot program is to explore tools and techniques used in strategic planning for economic development. Specifically, its objectives are to (1) present and discuss alternative economic development strategies; (2) identify external forces as well as local forces at work in the local economy; and (3) initiate a specific strategy for economic development activities to be conducted at the community level.

After determining that the community is interested in such a program, Extension organizes a planning team (local leaders and teaching team) to build an agenda and curriculum tailored for the community.

A Team Effort

The teaching is a team effort involving Extension professionals and representatives of planning districts, the U.S. Small Business Administration, State Department of Commerce, and other state and U.S. regional agencies. The team approach ensures that all avenues for assistance will be explored and also reduces community confusion about sources of help.

Extension involvement has included county agents, state and area rural development specialists, home economists (home-based business), and agricultural economists (marketing and agricultural diversification).

Since each topic is taught by a different member of the teaching team, the workshops provide the community with a wide exposure to economic development alternatives and techniques from many points of view.

Overview

The audience for the overview session is the local community economic development team—usually 15 to 25 people including business owners, chamber of commerce members, industrial trust members, local government officials and employees, and other local leaders.

The overview session previews the subsequent workshop series, which normally consists of nine weekly 2-hour evening meetings. Some communities have chosen to have the workshops presented in four sessions instead of nine; others have covered all the material during a 2-day "retreat."

Workshop Topics


Topics include: basic economic data and analysis; economic development strategy; home-grown business and industry; attracting new business and industry; community team development; financing economic development; and community impact analysis. Several of the topics include "working" sessions with community team involvement, and the final session explores the community's commitment to work. The result is intended to be a "blueprint for action" produced by the community.

Extension or the planning district provides participants with a notebook containing supplemental material on each topic as well as a report of the strategy which the community developed during the series. The intent is to provide tools and techniques to allow local leaders to follow up with viable economic development efforts on their own. The agencies and groups represented on the teaching team are available for followup assistance as well.

Effort Will Continue

Over the past year, about 15 communities, groups of communities, or organizations have participated in the training. The response has been enthusiastic, and evaluations have been positive. Some communities have attracted new industries, formed development committees, or accomplished some other goal contained in their strategy.

Ten to fifteen more communities have expressed an interest in the training, and the Oklahoma Association of Rural Electric Cooperatives plans to work with Extension to train people in rural areas.

The challenge and opportunity are there—Cooperative Extension has an important role to play in economic development. 

For community development to be effective, citizens must first take a hard look at existing conditions and then determine the priorities for improvement. The Texas Agricultural Extension Service has devised a needs assessment and planning program to help communities look at long-range planning in a new way.

Texas Cities Analysis and Planning (TCAP) is a self-analysis, planning, and development program for nonmetropolitan towns and cities—usually those with a population of less than 20,000. It encourages broad-based involvement of elected and appointed municipal officials, city employees, leaders, and citizens.

Profile And Survey

TCAP includes two major components: (1) a profile of 20 community facilities, services, and functions and (2) an opinion survey.

The community profile evaluates the adequacy and quality of community facilities, services, and functions. It is developed from information provided by city administrative staff and others who are knowledgeable about particular facilities and services.

The major categories in the profile are: arts and cultural enrichment; retail business management; city codes and ordinances; community appearance; communications; fire protection; fuels and power; health and sanitation; housing; industrial development; municipal administration and planning; parks and recreation; police protection; schools; streets; tourism development; transportation; water; waste water; and solid waste management.

Collectively, these factors provide a comprehensive profile of the community which governing bodies can use to determine current status and to plan for improvements. The profile is also an excellent tool for attracting industry and encouraging economic development.

The community opinion survey allows citizens to express their views about community services. Residents selected in a random sample answer 60 questions about the community leadership and the ability of the leaders to plan and implement programs.

Coordinated Effort

A successful TCAP effort requires coordination among many organizations and groups. Since a major portion of the community analysis relates to municipal services and facilities, Extension does not recommend that a community undertake a TCAP program without official city council approval.

The city government must provide the leadership, direction, and impetus, but they need solid support from such groups as the chamber of commerce, industrial foundations, schools, financial institutions, utility companies, other businesses, and the news media, as well as from individual citizens.

City administrative officials and management personnel in other cooperating organizations collect most of the data needed for TCAP. Then Extension community development specialists or other economic development professionals analyze the data and present a report to the city council and other groups responsible for economic development.

The report serves as a planning document which can help the city develop a comprehensive long-range plan or update an existing plan.

TCAP In Action

Over the past 3 years, several Texas communities—ranging in population from 700 to 11,000—have started TCAP programs. Not all city officials have fully utilized the findings in the reports, but several have used them as the basis for new programs to satisfy community needs.

Lindale, a northeast Texas city of 3,000, began a TCAP effort in 1986. The needs they identified included street improvements, industrial development, traffic control, park improvements, and more doctors and medical services. Using the report as a planning document, the city has made considerable progress in the following areas—

- The city annexed a 100-acre site for commercial and industrial development and has issued \$850,000 in bonds for construction of waste water services. The state is upgrading traffic signals at the nearby intersection.
- Survey work has begun on a downtown water and street improvement project.
- The city council obtained a state matching grant of \$188,000 (which the city can match with labor and materials) for parks and recreation projects.

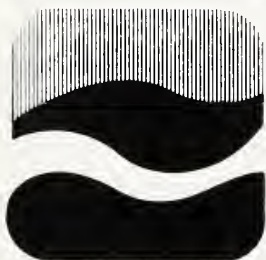
Other cities with TCAP programs have had similar results. People throughout Texas are finding that TCAP provides them with a way to get involved in determining their communities' needs and to take the action necessary to correct the problems and improve the quality of life. ▲

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Opportunity Is Spelled Big South Fork!

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More than 3 million people annually are projected visitors to communities around the Big South Fork National River and Recreation Area in north-central Tennessee and southeast Kentucky.

The Big South Fork of the Cumberland River flows north from Tennessee's Cumberland Plateau into Kentucky and its junction with the main river channel in what is now Lake Cumberland. Along its course, the river has cut a spectacular 500- to 700-foot-deep gorge through the sandstone and shale of the plateau.

Development Through Tourism

Economic development was one reason why Congress authorized creation of the 123,000-acre national river and recreation area in 1974. Because the economy of this rural Appalachian region has been based on timber and coal, it has been subject to booms and busts. The region's isolation, rugged topography, and relatively small population make it difficult to base economic development on manufacturing. But the limitations for industrial development can be advantages for economic development based on tourism and outdoor recreation.

At first, people had mixed feelings about the recreation area, and they wondered how it would affect their communities. Growing numbers of local leaders came to Extension with their questions.

In response, the Tennessee Agricultural Extension Service, in cooperation with the Kentucky Extension Service, National Park Service, and Corps of Engineers, organized a workshop for local elected officials and community leaders. The meeting examined the plans for the recreation area and discussed the ways in which the visitors attracted by the project might affect local public services and facilities, private businesses, and community life. Followup sessions revealed that people needed to know more about what to expect and how best to take advantage of the opportunities of the newly designated area.

Responsibility For Development

Development related to the new recreation area had two aspects: (1) development within the boundaries of the national area, and (2) development of services, facilities, and businesses in the surrounding area. The first was the responsibility of the Corps of Engineers and National Park Service; it would be up to the communities themselves, however, to ensure the success of the second and to translate economic potential into salaries, profits, and local taxes.

The size of the national area, which includes land in seven counties and three development districts in two states, placed it beyond the authority of the existing infrastructure. The need for a regional coordinating group soon became apparent. With the help of Extension specialists, a charter and bylaws were written, and the Big South Fork Development Association began to function.

Role Of The Development Association


The association's purpose has been to help the region get ready for the national area, take advantage of the opportunities, and anticipate and address problems before they become critical obstacles. It also has provided a channel through which the two state Extension Services and other agencies can work with local groups and individuals.

Early efforts focused on local preparation, including a detailed analysis of the impacts of projected tourist numbers on the local area. The two Extension Services cooperated to conduct workshops on potential business opportunities. Interest generated by these workshops led to two hospitality training programs for restaurants and retail businesses. In addition, the Tennessee Extension Service presented a three-session workshop on marketing a tourism business.

Fostering the development of the national area itself has been a second priority. The association has been a channel for local comments on development plans, has worked for full Federal funding for the project, and has been the local sponsor for groundbreaking and dedication ceremonies for every major feature within the national area.

Promotion Is Important

Promotion has emerged as a third priority and will become increasingly important as development of the national area nears completion. With the help of a Tennessee Extension Service slide program, "Company's Comin'," association members have made presentations to many local groups, informing them of the opportunities and potential benefits of the national area. A visitor's guide, formatted as a tabloid newspaper, is in its fifth year.

Visitor numbers have not yet reached 1 million per year, but increases are steady. The prospect of 3 million visitors annually does not seem as impossible as it did in 1977. Whatever the ultimate number of visitors, however, the region will be better prepared to benefit, thanks to the efforts of the development association and Extension. 

Creative leadership at the local level is essential if rural communities are to overcome persistent and critical problems relating to economic vitality, social services, population trends, and general deterioration in the quality of life.

Community leaders must identify local problems and then develop and implement community improvement programs to address them. But successful development programs don't just "happen." They require planning, organizing, and—perhaps most important—cooperation among all facets of the community.

Several Wyoming communities are pursuing economic development through a program entitled "Wyoming Take Charge." Take Charge is an organized "grassroots" effort to apply the skills and talents of local residents to programs for improving their communities. The Wyoming Cooperative Extension Service provides training and technical assistance for the Take Charge program.

Prototype Council

In 1986, Greybull rancher Stan Flitner worked with Extension to organize the Greybull-Basin Take Charge Council in 1986. The council is a broad-based group composed of local business owners, representatives of civic organizations, local government officials, and interested citizens. It now serves as a prototype for councils in other Wyoming communities.

The Greybull-Basin area has been particularly hard hit by recent declines in the mineral and energy industry. In May 1987, the county's 16-percent unemployment rate was the highest in Wyoming. To address local residents' concern about the economic future of the area, the Take Charge Council has focused on developing strategies for revitalizing the local economy.

Stopping Dollar Leakages

One important strategy has been to increase the community's ability to capture local retail purchases—to keep local money from being spent at larger trade centers instead of at home.

These lost dollars, called leakages, represent a loss of jobs and income to local citizens. The Greybull-Basin Council's project for reducing retail leakage involves estimating the area's retail market potential, determining what factors influence the community's ability to capture retail dollars, and then implementing programs to retain more of these dollars.

Computer software developed at the University of Wisconsin by Glen Pulver and Ron Shaffer helped in estimating the potential retail market. The analysis showed an annual potential of \$66 million, only 60 percent of which is being captured by the local economy. This \$27 million in lost retail sales represents a significant loss of jobs and income for local residents.



Purchasing Patterns

What influences an area's ability to capture retail dollars? With the help of volunteers, a Chamber of Commerce, and a local rural electric company, the Greybull-Basin Council surveyed local residents to determine consumer purchasing patterns and the reason for them.

Many people had reservations about the local commercial sector. Nearly one-third gave the business community a rating of poor, with the average rating slightly less than fair. The survey indicated that the commercial sector may be able to keep more dollars at home by emphasizing the conveniences and benefits of buying locally and by improving quality and providing better service. The survey also highlighted the importance of retired residents to the local retail market and showed a need to emphasize the competitiveness of local retail prices with those in neighboring communities.

Project Impacts

The Take Charge Council organized a Range Clinic to bring together federal land managers, permittees, and downtown business owners. More than 80 people attended the 2-day tour. Stan Flitner, Take Charge president, comments that the clinic tried "...to get the federal and private sector people together to show we do have some common economic development interests."

The Basin Chamber of Commerce sponsored a workshop on marketing and sales. According to Chamber President Mary Winger, "The survey pinpointed exactly what areas we (downtown businesses) need to work on. It backed up what we'd speculated about for a long time."

The area medical community was the target of many criticisms in the survey. In response, the hospital is publishing a newsletter to inform the public of services and positive activities. Tom Green, chief financial officer, points out that "The survey gave us helpful criticism, not just hearsay."

Overall, the Take Charge project has highlighted the need for communication and for reliance on local talents in order to adequately address community problems. *A*

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Networking Incubator Programs For Small Business

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A small business incubator program is a flexible method of encouraging the development of new businesses and assisting local economic development. Incubators are facilities in which a number of new and growing businesses operate under one roof with reduced rents, shared services, equipment, and equal access to a range of professional, technical, and financial resources.

There is currently some evidence that "incubator saturation" may be occurring. To prevent this saturation, Extension at Auburn University has implemented a plan for establishing a network of small business incubators in rural Alabama.

The centralized Small Business Incubator Program (SBIP) involves federal and state funding sources, the statewide system of small business development centers (located at 13 state universities and colleges), and the statewide Alabama Cooperative Extension Service. The Alabama Department of Economic and Community Affairs (ADECA) has set aside \$1 million of grant monies for the acquisition or renovation of facilities to be used as incubators.

Alabama is the first state with the task of a statewide coordination effort in this area. The U.S. Small Business Administration has pledged the resources of the 13-member Small Business Development Consortium to the statewide incubator network. Alabama Extension at Auburn University will handle coordination through the central Small Business Incubator Program.

Evaluation And Criteria

In April 1986, the probability of success of incubator sites throughout the state was evaluated. Initially, 19 municipalities responded to a call for participation in the program. Five municipalities were

Demographics Of Selected Small Business Incubator Sites

Town	Population	Median Family Income	High-Tech Area	University Nearby	Interstate Access	Ease Of Metro Access
A	28,000	\$19,231	No	Adjacent To Major Land Grant	Adjacent	Yes
B	9,000	13,784	No	Regional: 60 miles	Adjacent	Yes
C	43,000	20,882	Yes	Regional: 20 miles	Adjacent	Yes
D	4,500	16,234	No	Regional: 50 miles	Adjacent	Yes
E	4,800	18,399	No	Major: 40 miles	No	No

recommended by the Small Business Incubator Program to ADECA for participation in the program's implementation stage. (For demographics of these municipalities see chart accompanying this article.)

Nine criteria were used to assess the success potential of the incubator sites: the municipality's ability to financially contribute to the project; the population base of the municipality; the potentially beneficial effect the incubator center might have on the local economy; the availability of local technical support to tenants of the incubator; level of interest in program participation by leaders of local government; suitability of the proposed site; level of infrastructure serving the site; cost factor of proposed site; and "program clarity"—the city's ability to commit to the program.

Strategy

The networking of the rural incubators will be a plus factor to familiar incubator advantages such as reduced rent and onsite shared services.

Technical Assistance

The central Small Business Incubator Program will concentrate onsite technical assistance in business and management to sites within a reasonable distance of Auburn University. Requests for technical assistance from other incubators will be coordinated through the SBIP

but serviced by the statewide consortium of Small Business Development Centers.

Alabama Extension has acted as the hub which has permitted access to every area of the state.

Tips For Other Communities

Some points to keep in mind when creating an incubator network are—

1. Approach the task slowly and carefully. Incubator sites that are selected with care will survive.
2. Do not be swept away by the "romance" of incubator popularity. Incubators are not a "cure-all," and they are not appropriate for every town.
3. Coordinate all federal, state, and municipal thrusts. This is not an easy task, but, in the long term, such coordination will prove extremely beneficial.
4. Wherever possible, eliminate local protectionism and foster regional participation. ^A

Agribusiness Park—Economic Hope In The Florida Panhandle

Extension Review 33

At a time when almost every city and county is pushing development of a high-tech industrial park, farmers in the Florida panhandle—the state's most economically depressed area—are advocating something different: the southeast's first business park for agriculture.

The Apalachee River Basin Agricultural Park—originally proposed by Calhoun County Extension Director Logan Barbee—will be located on 207 acres between Blountstown and Altha in Calhoun County. The site is expected to become an economic hub for a five-county region that is one of the Nation's poorest.

"We've got all the right stuff to make this agricultural park viable," Barbee says. "It is near a major highway, rail access, and the Apalachicola River. There's a good market for poultry and catfish and there are people who want steady employment."

One year ago, Barbee proposed the project to the Apalachee Regional Planning Council. At that time farmers who grow soybeans, peanuts, corn, and sorghum were reeling from the farm crisis.

A catfish processor has already signed a letter of intent to locate in the park, Barbee notes, and two poultry processors are interested in the park. Contacts from other poultry processors and agribusiness groups are expected.

The poultry and catfish operations would represent an estimated \$20-million investment and could employ over 1,000 workers within 5 years. Total economic spinoff from these two firms could number about 3,000 jobs.

Federal Grant Request

Approval has been requested for a \$2.7 million grant from the Economic Development Administration for electric, water, sewage treatment, and other infrastructure at the park.

"Senator Lawton Chiles and Rep. William Grant are very supportive of the project," Barbee explains. Once the federal grant is approved, the Calhoun County Commission will exercise its option to purchase the 207-acre park site, he adds.

The park is expected to create an impressive demand for broilers and catfish. "When these processing plants begin operations in the park," Barbee projects, "we estimate they will support 300 or more new poultry and catfish farmers in our five-county region which includes Calhoun, Gadsden, Gulf, Jackson, and Liberty counties.

"These new poultry and catfish farmers in our area will create a tremendous demand for grain, one of our traditional row crops," Barbee says. "We estimate these new farmers will need several thousand tons of grain per week. This demand, in turn, could spur development of a cooperative feedmill owned by the farmers."

Barbee attributes much of the early interest in the park to market research by Institute of Food and Agricultural Sciences (IFAS) economists and poultry specialists, coupled with a 10-minute Extension-produced videotape shown to prospective agri-business clients in the southeast.

Michael Ouart, Extension poultry specialist with IFAS in Gainesville, says the five-county area is ideally suited to broiler production and processing. Winter weather conditions are good, he comments, the market for poultry is strong, and the site is midway between existing production centers.

"Florida's annual consumption of chicken is expected to increase to 808 million pounds by 1990 and 935 million pounds by the year 2000," Ouart says. "The need for additional production capacity is there."


Prospects And Potential

David Zimet and Timothy Hewitt, Extension farm management economists at the IFAS Research and Education Centers at Quincy and Marianna, respectively, conducted a survey of 110 landowners in the five-county area. The survey indicates that 78 individuals would be willing to operate broiler houses under contract for a large regional poultry processor at the park.

"Prospects for a catfish processing plant at the park are also good," reports Michael Ednoff, aquaculture development representative, Florida Department of Agriculture and Consumer Services, Tallahassee. "This project," he says, "has success written all over it because we will not be competing head-on with catfish farmers in Mississippi."

Ednoff believes there is potential at the park for culturing, processing, and distributing other species of fish, such as sunshine bass, sturgeon, and redfish. "By producing a variety of fish products," he says, "the agribusiness park could become a one-stop source in the Florida seafood distribution chain."

"Florida Panhandle Catfish, Inc., the first processor that has agreed to locate at the park, has already set up a marketing agreement with a national seafood distributor," he continues. "The processing plant will need a continuous supply of fish and that's where over one hundred small farmers come into the picture. Of course, byproducts from catfish processing can be used in poultry feed. A unique feature of this processing operation is that they may offer catfish farmers an opportunity to become stockholders in the processing plant."

Future tenants for the Apalachee River Basin Agricultural Park may include processors of shrimp, peanuts, grain, and vegetables as well as other enterprises compatible with the agribusiness park concept. 

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Framework For Change

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At the seminar on community leadership for rural limited-resource audiences—"Community Leadership—A Framework For Change"—held at North Carolina A&T State University, Greensboro, in February, Robert W. Long, Deputy Assistant Secretary, Science and Education, USDA, emphasized "the need for us to work together—to think together—to develop leadership in rural communities." Seated at the speakers' table (left to right) are: Leslie Lilly, Community Development Officer, North Carolina Rural Economic Development Center; Obie Patterson, Program Analyst, Office of Minority Research And Teaching Programs, USDA; Edward B. Fort, Chancellor, North Carolina A&T State University; and Myron D. Johnsrud, Administrator, Extension Service, USDA.



In February 1988, Extension at North Carolina A&T State University, Greensboro, launched the initial phase of a multi-state project for limited-resource audiences: "Leadership Development For Public Decisionmaking."

"The program's leadership aspects—an enhanced understanding of public issues and increased decisionmaking skills—will result in a broadened leadership base essential for economic development," says Dalton McAfee, assistant administrator of North Carolina A&T State University. In addition, McAfee believes an improved capacity to apply and utilize technology, knowledge, and information will enable communities to develop and sustain a local competitive advantage.

Funded by a \$1.2 million W.K. Kellogg Foundation Grant to the university, the seminar in Greensboro on community leadership for rural limited-resource audiences—"Community Leadership—A Framework For Change"—was attended by Myron D. Johnsrud, Administrator, Extension Service, and Robert W. Long, Deputy Assistant Secretary of Agriculture for Science and Education.

North Carolina A&T State University is the lead 1890 institution for a program aimed at developing and strengthening the leadership skills of limited-resource audiences. There were approximately 100 participants in the program, including a significant number of rural residents, small-scale farmers, single parents, public-housing residents, and displaced workers.

Program Phases

The leadership program at North Carolina A&T State University is envisioned in two phases.

Phase I, planned for the first year of the project, includes the development of six training mod-

ules: situational analysis and needs assessment; leadership; communications; group process; public policy; and impacts and evaluation. (A Request For Proposal will soon be issued for module development.)

Phase II, for years two and three of the project, includes the involvement of three 1890 institutions in training limited-resource community leaders.

Maximizing Effectiveness

Senator Terry Sanford, North Carolina, in a speech delivered at the Leadership Development Seminar, emphasized that Extension has a critical role in delivering successful and innovative economic strategies to "those who are in a position to make use of them.

"We will require a new generation of local leaders," Senator Sanford said, "in those communities that need our help the most. Rural residents must have hope; we must restore their optimism. They must be able to recognize opportunities for success in their own areas, rather than automatically seeking opportunities far from home in our cities. We need to develop more new ideas and demonstrate their effectiveness, but our success or failure will depend on how these ideas are communicated."

Senator Sanford pointed out that the Multi State Leadership Program is important because "leaders will be absolutely essential to reaching so many that are currently out of reach."

By developing leaders, Senator Sanford said in conclusion, "we can get people more involved in making the decisions that affect their communities. And this is the best way to attack a problem—by helping people to help themselves and their communities." **A**

Fiscal Impact Software— New Strategies For Decisionmakers

Extension Review 35

Local governments—beset by declining tax bases and prospects for economic development—are finding fiscal decisions more complicated. This is occurring at a time when they are being increasingly relied upon to take the initiative in economic development activities.

Leaders of local government are aware of their need for more accurate and comprehensive information on which to make decisions involving economic development. They need information on such diverse issues as the following: advisability of investments in industrial sites and other infrastructure, benefits and costs of different methods of providing public services, relative advantages of one development strategy versus another, preferential property taxation, and protection of agricultural land.

VIP Software Models

Virginia Tech Extension specialists and researchers have developed a series of computer software fiscal models to provide local government leaders with the framework they need to improve and expedite their decisionmaking on these issues and others.

The software models—called the Virginia Impact Projection (VIP) models—are based on analyses of fiscal experiences gleaned from Virginia's cities, counties, and towns. Research for the models was originally conducted to provide Rockingham County with a financial strategy to overcome the loss of a substantial portion of its tax base to annexation proceedings.

To create the model, researchers identify and estimate the relationships between public service expenditures, commuting patterns, and various socioeconomic factors. Then these "estimated" relationships are used to construct a microcomputer simulation model. When the simulation model is fed the specific data for a given community, it simulates the impacts of various changes on the economy of that community. The models measure changes in employment, population, commuting, local expenditures, revenues, quality of life, and economic development policy.

Programs For Local Governments

Extension has developed an economic development program around this software designed to meet the specific needs and capabilities of local governments. Local governments that have the personnel and hardware necessary to set up, run, and interpret the economic development simulations are trained in the use of the model, then assisted in developing the specific model for their jurisdiction.

Extension staff run and interpret economic development simulations for other—usually smaller—communities. In some cases, specialists use the models to explore the feasibility of eco-

nomic development goals before specific alternatives are even considered.

VIP models have been developed for approximately 40 Virginia cities and counties. The models have been used for a variety of purposes including analyses of annexations, jurisdictional mergers, new and existing industries, residential developments, location of industrial sites, and general development strategies. Several communities have used the models for goal planning—estimating the conditions necessary to bring about a desired set of terminal conditions. The Economic Development Office in Richmond uses the model regularly in conjunction with its other tools to compare alternative development strategies, and development and redevelopment projects.

Training of local planning personnel in the use and interpretation of the models is not always advisable. The use of the models, particularly the development of reasonable scenarios, is not always clear to the uninitiated. However, some involvement by local experts is necessary since their insights into the local goals, resources, and restraints always lead to more realistic scenarios and interpretation. The process has led to significant improvements in the computer model and the Extension program.

VIP—Aid To Teaching

The VIP modeling project has facilitated teaching, research, and Extension. The VIP model is ideal for teaching both formal students, and local planners and officials. Since the models are on spreadsheets they are relatively "transparent," easy to modify, and relatively simple to use.

As a Virginia Tech class project in a senior level course on rural development, student teams "adopt" a community, determine what issues the community faces, and use the VIP and other regional economic tools to analyze the issues. Local officials work closely with the study teams, attend a final presentation, if possible, and receive copies of the final report and a VIP model for their county, city, or town.

As a consequence, local officials in a number of communities have attended VIP model training symposia, and then sponsored small research projects. Some officials have hired students from the class to do impact analyses for them during the summer. Research programs in this area have benefited from increased financial support and by being subject to almost constant field testing.

These fiscal impact models only provide some of the answers and estimates of benefits and costs sought by representatives of local governments. However, the fiscal models do offer decisionmakers and their staffs invaluable information that will help them make some very tough decisions about the economic development of their communities. *A*

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Thomas Johnson, (standing), Extension community resource development specialist, discusses the Virginia Impact Projection (VIP) computer software model with Randy Austin, assistant town manager, Vinton, Virginia. Virginia Tech Extension specialists and researchers developed VIP software fiscal models to provide local government leaders with accurate and comprehensive information on which to make decisions involving economic development.

Charter Fishing Boom On The Great Lakes

36 Extension Review

Carol Y. Swinehart
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Michigan Sea Grant
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Opposite: A sports fishing trio just off a Great Lakes charter boat proudly display six of the day's catch that didn't get away. Center: Chinook Pier is the focal point for Grand Haven, a recent waterfront development on Lake Michigan. At right: Charter boat client excitedly swivels his fighting chair as a "bit" bends his rod. Charter fishing boats have a substantial economic impact on the cities and towns where they dock. Michigan Sea Grant Extension is assisting these coastal communities to benefit economically through waterfront development.

Photographs courtesy of Michigan Sea Grant Extension.

A recent boom in the Great Lakes charter fishing industry is helping to spur economic development in several of Michigan's coastal communities. These communities, with assistance from Michigan Sea Grant Extension agents, have recognized the value of this economic impact in their areas. They are making substantial public investments to help the rapidly expanding charter fishing fleet attract additional customers, the vast majority of whom are tourists.

A 1985 marketing study, sponsored by Extension at Michigan State University and supported by Michigan Sea Grant Extension, revealed that the state's nearly 1,000 charter fishing boats—up from 100 licensed boats in 1977—have a substantial economic impact on the cities and towns where they dock. The study showed that a quarter of a million sport fishing customers spent almost \$60 million in 1985 at Michigan's coastal communities.

Development At Grand Haven

Grand Haven on Lake Michigan used both state tax increment financing and assistance from the Michigan Department of Natural Resources to construct special dockage and a fish cleaning station to accommodate 16 charterboats.

Charles Pistis, Michigan Sea Grant district agent in southwest Michigan, provided information to Grand Haven officials about the state's tax increment financing arrangement which assisted them in obtaining funding for their public facilities.

These \$400,000 charter facilities are one segment of a 2-mile waterfront development that runs along the Grand River to its mouth at Lake Michigan. The complex features shops, restaurants, and an entertainment center as well as a boardwalk, Coast Guard and Corps of Engineer vessels, and a paddlewheel sightseeing boat. Several million dollars have come from the pri-



Charter boat customers—in addition to fees paid to charter captains—purchased food, lodging, and entertainment. Each captain has an average \$28,000 invested in a boat, in addition to fishing gear and other nautical equipment.

"The additional income generated by charter boat captains places them in a much better position to talk to the local banker or city council about their needs," concludes Edward H. Mahoney, Extension specialist, park and recreation resources, Michigan State University. Mahoney believes more coastal communities should recognize the economic benefits accruing from this industry.

vate sector in response to the public incentive to rehabilitate historic warehouses along the river and develop new condominiums and office facilities.

Several coastal communities, aided by Michigan Sea Grant Extension agents, wish to emulate the Grand Haven achievement. The communities of Frankfort, Manistee, Pentwater, and St. Joseph on Lake Michigan and Rogers City on Lake Huron

have heeded the requests of charter boat captains for increased access to their communities. Steve Stewart, Michigan Sea Grant district agent in southeast Michigan, developed a computer spreadsheet model to help communities assess the potential impact of charter development and expansion. In addition, he provided capitalization rate analysis models to captains to guide them in their investment and pricing of services.

Regional Workshops

For the past 4 years, Michigan Sea Grant Extension agents have conducted regional workshops for charter boat captains to provide them with an opportunity to discuss various aspects of their economic situation, individually and collectively, with university specialists and other resource people.

Commenting on the effectiveness of the workshops, Charter Captain James Collins of Pent-

of the fishery in general will have a strong influence on its success. However, the agents are committed to helping both captains and communities assess their prospects for mutually satisfying economic development.

Community leaders appreciate the educational and technical assistance provided by Sea Grant agents. Larry Dietjen of Grand Haven recalls the many hours Agent Pistis devoted to helping develop the plans that have resulted in a boost in tourism and millions of dollars in additional income. "He was with us every step of the way," Dietjen says, "and it made a big difference." A



water says: "We've been able to show the business leaders and others in this community that they have been missing out in such areas as marina and slip development. Recently, the community has responded to this need and we have increased local fishing facilities. We attribute this entirely to the Michigan Sea Grant Extension regional workshops."

Exploring Potential

Sea Grant Extension realizes the coastal communities have differing potential for accommodating the needs of charter captains and that the health



Michigan Sea Grant Extension is part of the outreach of the Michigan Sea Grant College Program, a cooperative effort of Michigan State University and The University of Michigan in Great Lakes research, education, and Extension. District Extension Sea Grant agents are employed by Michigan State University's Cooperative Extension Service.

Bed And Breakfast Businesses— New Industry In The Midwest

38 Extension Review

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A small rural community of less than 1,000 people in the heart of central Illinois corn country is not a likely place for a thriving "motel" business. Nor would travelers traditionally expect to enjoy home hospitality in a large, square brick home in a small southeast Illinois community or a high-rise apartment along Lake Michigan in Chicago.

However, as a result of an economic development program led by Extension at the University of Illinois, bed and breakfast businesses in settings such as these are springing up throughout Illinois, Indiana, and Wisconsin. Similar developments can be found in other midwestern states.



Each Is Unique

Each business is unique. After Thelma's husband died, for example, her five-bedroom house in West Salem, Illinois, was too large for her alone, so she decided to take in guests. Thelma's "B&B" has four rooms and she serves breakfast on a screened porch or in her dining room.

Max and Caroline bought a house that is more than 100 years old. As a part of the historical revitalization of Oakland, Illinois, they turned it into the "Inn On The Square."

In contrast to these two settings, more than 100 B&B rooms are currently available in Chicago each night.

Answer To A Problem

The B&B idea was born when it appeared that Chicago might be the site of a World's Fair in 1990. A group of people in northern Indiana thought that one answer to the expected housing problem might be to provide rooms in private homes.

James Peterson, then co-coordinator of the Illinois-Indiana Sea Grant Program, and Robert Espeseth, who was both a Sea Grant co-coordinator and Extension recreation resource specialist, put their heads together to design a series of Bed and Breakfast workshops. They pulled together a group of experts, including Extension specialists, who could help people plan and make decisions about starting their own business.

Robert Buchanan, Extension specialist in restaurant, hotel, and institutional management at Purdue University, offered his expertise. Linda Brand, small business advocacy specialist from the Illinois Department of Commerce and Community Affairs, made the resources of her office available. Sue Sadowski, from the University of Wisconsin Recreation Resource Center, offered to discuss marketing tips.

Jane Scherer, coordinator of the University of Illinois Consumer and Homemaking Education Program, provided material and led discussions on operating a home business. Others who offered program topics included representatives of local tourism councils and area chambers of commerce, county Extension agents, and operators of existing bed and breakfast businesses.

Workshops And Decisions

More than 500 people from 10 States have attended eight workshops in Illinois, Indiana, and Wisconsin. Most participants report that they plan to start a B&B when they find the right location or obtain the needed financing, or when state regulations are better established.

No studies have provided sufficient data to determine how much economic impact a single B&B or group of B&B's might have on a community.

Although B&B's may not be a source of a major financial boom, however, the service they provide can be of important benefit to a community.

Individuality Is The Key

In a time of uniformity in franchise hotel and motel chains, uniqueness is the attraction that draws people to B&B's.

The bed and breakfast concept, which has spread from Europe to the United States since the 1960s, is reminiscent of the "tourist home" of the 1920s and 1930s. Unlike the early tourist homes, however, B&B's provide a breakfast and occasionally offer other meals and snacks.

Impact of Workshops

Workshop results have been numerous. Several states, including Illinois and Michigan, are setting up statewide B&B associations. In some cases, local and area associations have been formed as well.

Other activities resulting from the Extension workshops in the Midwest have included the printing of statewide B&B directories, the establishment of a news documentation center, and the creation of lobbying groups to assist with zoning and other legislative matters.

A North Central Region Publication titled "Developing A Bed And Breakfast Business Plan" is currently in production and should be available during 1988. A

Action Plan For Plattsburg

Extension Review 39

A curious sight greeted travelers entering Plattsburg, Missouri, last summer—it seemed that every other house along the highway had a ladder leaning against it. Painting, renovating, and restoring have indeed become major activities for homeowners in this northwest Missouri town of just over 2,000 people.

Business owners hope that renovation will spread to the downtown, where empty buildings wait to be fixed up. Seeing those empty buildings repaired and filled with businesses is also a priority of the Plattsburg Chamber of Commerce's ambitious economic development action plan.

Channeling Energy

In 1983, Plattsburg marked its sesquicentennial with a huge birthday party. The Chamber of Commerce officers, impressed with the energy of the people during the celebration, wanted to put that energy to use in addressing the community's economic problems. Unsure of how to put their ideas into a logical framework, they turned to the local Extension office for help.

That initial request put Plattsburg officials in contact with Extension community development specialists at the University of Missouri, who agreed to work with the town to explore the possibilities for economic development.

Goals For 2000

At the first community meeting, Extension specialists helped the participants identify characteristics they wanted the town to have in the year 2000. Among the most significant were: a diversified economy; a community filled with young children; an appealing shopping area; well-preserved older homes; and a community prospering by using its own resources.

"In a small town, you can get a fairly good consensus pretty quickly," says Rev. Bob Dees, president of the Chamber of

Commerce, "but making it happen is the tough part."

Getting The Facts

In Plattsburg's case, the assumption was that a good part of its economy was based upon agriculture and that recent business closings were a direct result of the agricultural recession. However, an analysis of the community's economic base, using a computer model developed at the university, indicated that a significant portion of the town's income comes from transfer payments to those over 65 years of age and from the salaries of professionals who commute to work in Kansas City, 30 miles to the south.

Other studies revealed that Plattsburg was having a significant increase in the number of residents between the ages of 35 and 55. This meant that the community had a potentially strong market for new business growth. But the studies also showed that Plattsburg's economy had considerable "leakage," with money flowing in from a variety of sources but flowing out for a larger variety of consumer goods and services.

Adopting A Plan

A local college student, with the assistance of Extension specialists, prepared a detailed profile of the community and presented it to the Chamber's board of directors. The profile and an accompanying economic development action plan were adopted and are now guiding the activities of task forces in five areas: changing the local economic system; encouraging the retention and expansion of existing businesses; attracting outside firms; capturing outside dollars; and creating new business.

Economic Development Progress

The task force on capturing outside dollars revived a long-dormant "Chautauqua" program. The 3-day festival attracted visitors from throughout the area.

A small business "incubator" is the newest project of the Chamber of Commerce. Professional Business Services offers basic secretarial and bookkeeping services to beginning businesses. Eventually, the chamber would like to lease or purchase a building where they could offer local entrepreneurs space, a pool of shared support services, professional and managerial services, and access to or assistance in acquiring seed capital.

Twenty-eight new businesses have opened in the community since 1985, and 18 new houses have been built in the last year.

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Controlling The Future

"We now recognize that we have some control over our economy, and that we can control our future," says Dees.

"The Extension specialists in community development, business and industry, and home economics helped us discover the tools and then learn to use them," Dees emphasizes. "Extension is a resource every community should learn to use." A

Educating For Small Business Management

40 *Extension Review*

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A barnyard of a dairy in Hancock County, Maine, is used for recreational sledding; other sections of this 600-acre farm are used as a golf course and camping grounds. Maine Extension is implementing an economic development education program designed to meet the needs of small business owners and entrepreneurs in the state.



Organizational changes within the Maine Cooperative Extension Service in 1985 included the formation of an economic development program area, merging functions which had previously been divided between the community resource development and agriculture staffs.

The four Extension economists assigned to work in the economic development area began by compiling state and county data on Maine businesses. The study revealed the economic significance of small businesses in Maine, showing that the state had the largest proportion of small businesses in New England.

From this study grew the Maine Extension Service's economic development mission—developing, organizing, and delivering business management educational programming to owners and potential buyers of small-scale firms (those with five or fewer employees). Educational programs were to be based on research findings concerning the needs of small business owners and entrepreneurs in Maine and on Extension's capability to address those needs.

Involving Faculty

In keeping with its traditional approach of generating programs from the "bottom up,"

Extension administrators surveyed Extension faculty to determine their involvement with small business development and to assess their interests, needs, and concerns.

The survey provided a way for Extension faculty throughout Maine to provide guidance and direction for overall program development. The survey objectives were:

- To determine who among the Extension faculty were interested in economic development and how they were distributed geographically.
- To determine professional development needs related to economic development.
- To identify the faculty's concerns, issues, and areas of interest concerning economic development.
- To get faculty suggestions for clientele to be served by Extension's economic development programs.

Broad Interest

The survey revealed an interest in economic development among 75 percent of the Extension faculty who responded. Field staff expressed more interest than did campus-based specialists.

Virtually all those who expressed an interest in economic

development said they would need inservice training.

Because a special interest in home-based business emerged, Extension economists worked with agents and home economists on a home-based business training program.

Needs Assessment

As one of the first steps in developing its 4-year plan of work, Extension made a statewide assessment of educational needs. Almost 50 percent of the Maine people who participated in the assessment felt that the most important issue was the economy.

This overwhelming response further verified the need to develop an Extension economic development education program. The subsequent plan of work focused on providing small business management educational programs and also on developing 4-H economic and business management training.

To begin implementation of the program, Extension organized an economic development team consisting of two agents, three specialists, and one administrator. Their first step has been to conduct a study that will examine in detail the nature of small-scale entrepreneurship in Maine.

Future Prospects

Maine's new economic development program area is issue-oriented and has the commitment of Extension faculty and administration. Questions remain about the ultimate relationship of economic development to other established programs; the availability of necessary resources; Extension's credibility in the area of business management; and the effectiveness of faculty retraining. *A*

Exploring Possibilities In Stone County

Extension Review 41

Located in southwestern Missouri, Stone County features a theme park at Silver Dollar City and picturesque Table Rock Lake. Unfortunately, the tourist/retiree-based economy of the county provides only seasonal employment and low incomes. Leaders of six local governments—frustrated with the lack of economic development—organized to change this economic situation.



In October 1986, these leaders, representing the Stone County communities of Crane, Reeds Spring, Cape Fair, Lakeview, Galena, and Kimberling City, approached Extension at the University of Missouri for answers. Robert J. McGill met with the group and referred them to David Reisdorph and Jack D. Timmons, both Extension community development specialists at the university.

In a series of meetings with Extension the Stone County *ad hoc* group learned about the work of Jerry Wade, Extension community development specialist and assistant professor at the University of Missouri. Wade's model for alternative economic development focuses on how money flows through a local economy. The three strategies he recommends communities use to build their economies are import substitution, value-added production, and resource enhancement.

The *ad hoc* group built on Wade's research and experience with alternative economic development and designed an economic development conference. The purpose of the conference was to explore the economic development possibilities for Stone County, Missouri.

Economic Development Conference

In March 1987, the first Stone County Economic Development Conference became a reality. The conference began with a "futuring" exercise so that participants could imagine an "ideal" Stone County a decade from the present. Then Jerry Wade presented his "Rusty Bucket" model of community economic development and strategies for internal economic development. (See article *Rusty Bucket Strategies In Missouri* on page 26 of this issue.)

At the conference, there were workshops on small business, industrial, and agricultural development as well as development of recreation/tourism in the county.

ning a road rally to enhance off-season tourism and have begun to explore other economic development opportunities.

In February 1988, the Stone County Chamber of Commerce sponsored the Stone County Transfusion Conference in Reeds Spring, Missouri. Three workshops were featured. Jerry Wade offered conference participants points on community economic development with a talk entitled "Community Economics" or "Keep That Money Here." Jack McCall, Extension community development specialist, Chillicothe, Missouri, lectured on "Strategies That Worked For Us." Then, Anthony DeLong of Crane, Missouri, newly elected president, Stone County Chamber of Commerce, spoke on the "Goals Of The Stone County Chamber of Commerce."

Stone County, with the help of Extension, and educational conferences which focus on establishing county goals and an understanding of the local economy, has laid a promising foundation for the future. To

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Program Director And
4-H Youth Specialist,
Stone County, Galena,
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and
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Former Extension
Area Community
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The economy of Stone County, Missouri, is diverse enough to encompass such enterprises as the dairy farm of Chris Tarter (above) and the resort of W. K. Lewis. However, most of the economy in the county provides only seasonal employment. Leaders of local governments in the county sought and received economic development advice from Extension community development specialists. Since then, Stone County's leaders have held two economic development conferences, organized a Stone County Chamber of Commerce, and are exploring various economic strategies.



A New Chamber Of Commerce

In May 1987, the *ad hoc* group held a second mini-conference where participants decided it was time to get formally organized. They established the Stone County Chamber of Commerce and have since incorporated and created committees to begin work. They are plan-

ning a road rally to enhance off-season tourism and have begun to explore other economic development opportunities.

Massachusetts Zeroes In On Energy Efficiency

42 Extension Review

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Home buyers consistently rank energy efficiency among the top two or three qualities desired in a new home. Since the energy cost increases of the 1970s there have been numerous new products and approaches to energy efficient construction, challenging both builders and buyers to balance new product costs with energy savings. But home buyers are often confronted by a lack of comprehensible standards of energy efficiency.

Decisionmaking by both buyers and builders has also been hampered by a lack of information on new products and building techniques, an evaluation of a 1985 pilot workshop and needs assessment revealed.

Training Project

In 1986, to meet this need, Extension Community Resource Development (CRD) specialists at the University of Massachusetts cooperated with builder's organizations and the Massachusetts Office of Energy Resources to conduct one-day workshops throughout the state called: The Builders' Training Project. The workshops were designed to reach home contractors, home buyers, and carpentry students with information on building more energy efficient homes.

Evaluation of these workshops has yielded significant insights into methods of reaching building trades professionals and their adoption of new products. Home builders were concerned about the effectiveness of new products and the willingness of buyers to pay for greater energy efficiency. Many felt that expenditures for energy efficiency were not readily noticed by buyers.

In early 1986, when specialists at the Office of Energy Resources funded a series of workshops, they believed that contractors lacked access to technical training and would attend conveniently located and reasonably priced workshops. Workshops for home buyers and carpentry school students were included to stimulate increased interest from these groups.

Marketing The Program

Home contractors were identified as the primary audience for the project. Extension CRD specialists designed a full-day workshop format and marketing approach with an advisory group representing building officials and contractor associations. Cosponsorship was solicited from local utilities, contractor associations, and trade magazines.

The primary means of marketing was direct mail. Local building inspectors and lumberyard owners supplied names of contractors. Representatives of trade associations and a regional construction magazine contributed mailing lists. In the direct mail brochure, cosponsors were prominently identified. The low \$15 registration fee was an added inducement.

For the initial spring 1986 workshops, 75 percent of registrants learned of the workshops through direct mail. Home buyer workshop advertising employed press releases and a county Extension newsletter.

Effective Program Design

The workshop design provided a thorough review of current materials and options for constructing various portions of the home and selecting mechanical equipment.

Sessions on moisture, indoor air pollution, and marketing of energy efficient homes were designed to address significant issues related to energy efficiency. As a supporting document, participants were given *The Super Good Cents Construction Manual*, a publication developed by Extension at Oregon State University.

The Builders' Training Project reached 1,400 building trades persons, 400 students, 80 instructors in woodworking at vocational technical high schools, and 75 home buyers.

Response

For 62 percent of the participants this was their first training conference. Only 28 percent of the builders reported membership in a trade association.

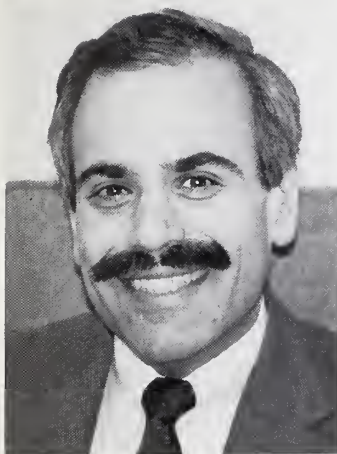
Questionnaires indicated that 98 percent of the participants felt the topics were appropriate for their needs; 74 percent of the participants indicated they wanted to change a construction practice; and of this latter group, 91 percent felt they had received enough information to make the change.

The 2-year duration of the Builders' Training Project provided an opportunity to present to new clientele issues with potential for significant economic benefit. Economic benefits resulting from energy conserving products and construction methods can return fuel savings worth several times their initial costs during the lifetime of a structure.

A followup survey employing a control group is seeking to evaluate actual behavior change of participants.

Extension applied skills in organization and educational program design to an issue outside the traditional areas of Extension programming. Through the project, Extension delivered an effective educational program using grant funds and working in cooperation with state agencies and trade associations. ▲





Jeffrey H. Schiff
Executive Director,
National Association
of Towns and
Townships (NATaT)

(Continued from page 2)

Many small towns are struggling for their very survival, attempting to cope with declining agriculture, manufacturing, mining, and lumbering. Dwindling tax bases, decreasing land values, and funding cutbacks are resulting in fewer jobs and fewer opportunities in our hometowns. Small town populations are aging as young people who cannot afford to raise their families where they grew up move away.

Too often, local efforts to create jobs in small towns rely almost entirely on industrial attraction. Small towns hope against hope—in a highly competitive and costly environment—that they can compete successfully against larger, wealthier communities in attracting branch plants and other large businesses.

Our work at the National Association of Towns and Townships (NATaT) indicates that a different approach is needed to deal with economic development needs of small town America. Our "Harvesting Hometown Jobs" program doesn't look to far away places for economic salvation; it emphasizes *local* resources, *local* people, *local* solutions. These are strong, important traditions in small town America, and they can be used to help with today's problems.

This approach looks to developing homegrown jobs; it encourages the retention and expansion of existing businesses, development of home-based enterprises, stimulation of local entrepreneurs, use of value-added agricultural processing, and growth of local tourism opportunities.

We also must play to our "strong suit"—our people and sense of community. Small town economic development can be an important, productive modern day outlet for the public-spirited traditions of barn-raising and "pitching-in" to clean up after a natural disaster.

Let's organize our people for today's challenge of creating jobs. Local officials, bankers, business owners, Extension agents, members of regional councils, churches, utilities, the PTA, and community colleges—all have a role to play.

Local people are best at identifying what the community wants and needs. They know how to get the job done; they always have. And we should be utilizing that spirit! **A**

If you would like more information about our "Harvesting Hometown Jobs" program, please contact:

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